

# RECORD OF PROCEEDINGS

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC. FORM NO. 10148

Held Monday, October 11 7:00 p.m. 20 10

## CALL TO ORDER:

1. The council meeting was called to order Monday, October 11, 2010 at 7:04 p.m. by President of Council Daryl Revoldt.

## OPENING PRAYER:

2. The opening prayer was delivered by Rev. David Warren, First Southern Baptist Church

## PLEDGE OF ALLEGIANCE:

3. All present recited the Pledge of Allegiance.

## ROLL CALL:

4. Mr. Revoldt: Thank you Reverend. Clerk, would you please call the roll.

The following members of Council responded to roll call: Davies, DeOrio, Foltz, Kiesling, Revoldt and Snyder. Council Member Peters was not present for the meeting. Also present were: Mayor Held, Director of Administration/Engineer Benekos, Director of Law Nilges, Director of Finance Zumbur, Director of Economic Development Bowles, Superintendent of Permits & Inspection Hampton, Rental Coordinator Raymond and Clerk of Council Kalpac.

Mr. Revoldt: Do I have a motion to excuse Member Peters?

Mr. Davies moved and Mr. DeOrio seconded to excuse the absence of Council Member Peters.

All members present voting:

Yes: DeOrio, Foltz, Kiesling, Revoldt, Snyder, Davies.

No: 0

## CONSIDERATION:

5. Council Meeting Minutes – September 27, 2010  
Public Involvement Meeting Minutes – September 27, 2010  
Mayor's Court Receipts – August, 2010

Mr. Revoldt: Council has for its consideration, approval this evening, minutes from its meeting of September 27, 2010. We also have the minutes of the public involvement meeting of the same date and mayor's court receipts for August, 2010. Are there any questions or amendments?

Mr. DeOrio: Mr. President, I move that you approve the items as submitted.

Mr. Revoldt: Do you have a second?

Mr. Davies: Second.

Mr. DeOrio moved and Mr. Davies seconded to approve the minutes of the council meeting, minutes of the public involvement meeting and mayor's court receipts as submitted. All members present voting:

Yes: Foltz, Kiesling, Revoldt, Snyder, Davies, DeOrio.

No: 0

## COMMITTEE MINUTES:

6. Mr. Revoldt: We also have for approval this evening committee minutes – Finance & Property; Ordinance, Rules & Claims; and Personnel & Safety all held on October 4<sup>th</sup>. Are there any questions or amendments to those minutes?

Mr. DeOrio: Mr. President, I move for approval of committee minutes as submitted.

Mrs. Kiesling: Second.

Mr. DeOrio moved and Mrs. Kiesling seconded to approve the committee report minutes as submitted. All members present voting:

Yes: Kiesling, Revoldt, Snyder, Davies, DeOrio, Foltz.

No: 0

**Finance & Property Committee:** Please refer to the minutes on file in the Council Office of the Finance & Property Committee meeting held October 4, 2010.

**Ordinance, Rules & Claims Committee:** Please refer to the minutes on file in the Council Office of the Ordinance, Rules & Claims Committee meeting held October 4, 2010.

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**Personnel & Safety Committee:** Please refer to the minutes on file in the Council Office of the Personnel & Safety Committee meeting held October 4, 2010.

## VOICE VOTE - APPOINTMENT OF ASST DIRECTOR OF LAW/MAYOR'S COURT PROSECUTOR

7. Mr. Revoldt: At this time I would like to have a motion and second to approve Lewis Guarnieri Assistant Director of Law for Mayor's and Mayor's Court Prosecutor.

Mr. Davies moved and Mr. DeOrio seconded to approve the appointment of Lewis Guarnieri to the position of Assistant Director of Law/Mayor's Court Prosecutor. All members present voting:  
Yes: Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling.

No: 0

Mr. Revoldt: Congratulations. Welcome, we look forward to working with you. Mrs. McGrew, waive your hand please. No, Mrs. McGrew, waive your hand to our new ...

Mrs. Kiesling: In front of you.

## RECOGNITION OF VISITORS:

8. Mr. Revoldt: No, right here, right here. And Mr. Pritchard I'm sure will be happy to have some comments for you and you can be joined by Mr. Nilges after the meeting. So we'll move on. As we have no old business - excuse me, let me move on to recognition of visitors. Is there anyone here who wishes to address the Council? Mr. Osborne.

Chuck Osborne: My name's Chuck Osborne. 307 Fairview Street SE, North Canton, Ohio. Two weeks ago this council passed Ordinance 73-10 establishing the position of Assistant Director of Law/Mayor's Court Prosecutor. The legislation was passed on its second reading on an emergency. I appealed to this council in remarks prior to each of the two readings to reconsider this course of action and urged this council to restructure the position of Law Director to a full-time position and get control of legal fees and services for the City which presently come at a very high cost. A sixteen hour work week for the City Law Director in this day and age is inadequate. Two weeks ago I noted that North Canton has expended \$414,870.41 for outside legal services over the last five years. Adding in the \$245,000 paid to the City's Law Director for each of the last five years at \$49,000 per year for a sixteen hour work week results in the expenditure of nearly \$660,000 for legal services in the last five years. This is an average of \$132,000 per year. North Canton is paying \$62.50 per hour for the services of an attorney to fill the role of Law Director while the Stark County Prosecutor's Office pays \$39.14 per hour to its most senior attorney. Nearly two dozen other attorneys at the Prosecutor's Office earn less than \$30.00 per hour. My point tonight after further research on this issue, is the fact that the newly passed legislation creates a position of Assistant Law Director to serve specifically as a prosecutor in Mayor's Court when in fact there is no role for a prosecutor in Mayor's Court. Council members should avail themselves of the time to sit in on a Mayor's Court and see how the process works. Mayor's Court is an administrative action. People are cited to appear for violation of local ordinances and traffic laws. The city official charged with enforcement of local ordinances issues the citation. In the case of traffic offenses, it is the local police. In the case of zoning violations it is whoever is responsible for enforcement of local zoning laws which in North Canton is the Superintendent of Permits. Mayor's Court does not unfold as a capital case as seen on TV. There are no prosecuting attorneys. There are no defense attorneys. The individual simply appears before a magistrate and pleads guilty, no contest, or not guilty. If the individual pleads either guilty or no contest, the magistrate levies a fine and the individual pays the fine and court costs. If the individual is found guilty after pleading not guilty, the ruling can be appealed and heard in Canton Municipal Court and proceeds as a trial de novo per ORC 1905.25, meaning a new trial in a new tribunal. Further research has uncovered a contract between the City of Canton Law Department and the City of North Canton for the purpose of providing legal representation in Canton Municipal Court for \$17,000 per year. This annual contract expense with the Canton Prosecutor's Office raises North Canton's annual legal costs to \$149,000 per year. The latest contract covers 2010 and 2011 and was approved by Council in Ordinance No. 99-09 on November 23, 09. Among the list of services itemized in the contract with the Canton Law Department is Item a. - Acceptance for prosecution of transfers from Mayor's Court. Thus there is no role for a prosecutor in North Canton Mayor's Court nor is there a role in Canton Municipal Court. What exactly is North Canton's new Assistant Director of Law going to do? Ordinance No. 73-10 narrowly defines the duties and compensation of the Assistant Director of Law as pertaining to "Out of Court" and "In Court Work" as a prosecutor in Mayor's Court. What work is there to do? Can this legislation - legislative act of North Canton City Council serve any purpose? I would say nothing has been accomplished with the passage of Ordinance 73-10. I also would say that North Canton should have been working harder long ago to maintain neighborhoods in the City and citing violations of its zoning laws into Mayor's Court. You do not need a prosecutor in North Canton Mayor's Court. Furthermore, the services of the City Canton - City of Canton Prosecutor's Office also preclude the need for a prosecutor for enforcement of local ordinances. Lastly, I am compelled to ask why the City has been billed \$1,548.90 by the law firm of Morrow & Meyer, LLC for prosecution of the Prater zoning violation when there are provisions in place to deal with enforcement of the zoning violation in both Mayor's Court and then in Canton

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Municipal Court. The zoning violation could very easily have been handled administratively in North Canton's Mayor's Court and if forced in to Canton Municipal Court, handled per the contract in place with the City of Canton's Prosecutor's Office. As events have unfolded, the City of North Canton chose not to utilize the services of the Canton Prosecutor's Office and paid a second time for legal services of a private law firm for which it need not have paid. I believe this is a violation of public trust and is most certainly fiscally irresponsible. I ask at this time that the law firm of Morrow & Meyer, LLC refund back to the taxpayers of North Canton the \$1,548.98 or 90 cents it has received regarding the prosecution of the Prater zoning violation case as the Canton City Prosecutor's Office was under contract to provide such legal services in Canton Municipal Court and would have done so without added cost to the taxpayers of North Canton. I urge this council to also ask that those funds be returned. The city has been double-billed for legal services and taxpayers are due a refund.

Mr. Revoldt: Thank you Mr. Osborne. Is there anyone else who wishes to address the Council this evening? Mrs. Magel.

Kathy Magel: My name is Kathy Magel. 1025 East Maple Street, North Canton. On tonight's agenda I believe there's approximately seven ordinances for restructuring and adding more debt and I had a question. First of all I have a comment. I applaud you for separating them so you can have the logistics of why each one was being discussed and passed or denied. But I guess this is – to me it's the new ordinances that are being restructured – the recent ones. And then I think its 1.2 million increased debt. I'd like to ask Alex or Jon or anyone what other debt do we have? Like when I was on council we had – we still had South Main do we – is that all paid off?

Mr. Snyder: Yes, Inaudible...

Mr. Zumbar: South Main is. Yeah, we have about approximately \$16,500,000 of debit remaining.

Mrs. Magel: Okay.

Mr. Zumbar: So it's come down. We're paying about a million – about a million dollars a year, a little over a million.

Mrs. Magel: Right. I think it was 18 million when I got off.

Mr. Zumbar: Yeah, it's come down.

Mrs. Magel: Okay so it's a...

Mr. Revoldt: But those are spread across various funds. Correct?

Mr. Zumbar: It's spread across – exactly, that's the point. The key here is they're coming from enterprise funds and a lot of the debt is locked up in the water fund.

Mrs. Magel: Water.

Mr. Zumbar: Because we redid some things at the Water Treatment Plant that you're aware of. So...

Mrs. Magel: Oh yes. Okay, so on top of what our actions are or your actions are tonight, it's approximately 16.5 odd million other dollars in debt?

Mr. Zumbar: There's sixteen and a half million, but some of this debt was included in that sixteen and a half million. There \$900,000 for the Well No. 10 raw waterline, that's included in that sixteen and a half mill.

Mrs. Magel: Okay.

Mr. Zumbar: And there was the – there was I believe ...

Mrs. Kiesling: Arrowhead.

Mr. Zumbar: another \$600,000 that was also included in there and I think it was something on the sewer, I believe it was 750,000.

Mr. Snyder: The sewers were 750,000.

Mrs. Magel: Okay, so we're down to about 15,000,000 more ...

Mr. Zumbar: Yeah.

Mrs. Magel: on top on tonight's actions.

Mr. Zumbar: Correct.

Mrs. Magel: Okay. Thank you.

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Mr. Zumbar: And again, it's entirely up to this body to determine what projects they want to decide to go out for bond.

Mrs. Magel: I understand that. I just – you know I understood and like I said, I thanked Jon for separating everything because then you know exactly where it is. But I wanted to know like from the past – I thought there was more debt. So it's about 15 more million. Is most of it water or is it just spread out?

Mr. Zumbar: No, it's spread amongst water and sewer and we have some obligations that are pledged for equipment purchase that we have outstanding.

Mrs. Magel: Okay. And are we going to be able keep the pace of about a million?

Mr. Zumbar: Absolutely. In fact what you're going to do with this bond issuance if they proceed with these ordinances, you're going to leverage your dollars and lock in these very low interest rates over a 20 year period of time. So you have a manageable...

Mrs. Magel: Right, 15 and 20 – 15 for the roads.

Mr. Zumbar: Yep, 15 years for street projects.

Mrs. Magel: Do you know maybe when that gentleman spoke he didn't exactly say what the interest rate was. And I know you're not going to know exactly, but can you pin – ballpark it for me?

Mr. Zumbar: Yeah, he used between 1 and 6 percent.

Mrs. Magel: That's correct.

Mr. Zumbar: It will probably be, if this is pursued and we wrap everything up by the end of October, we'll probably come in somewhere between 1 and 4 percent.

Mrs. Magel: One and 4. And I was thinking about 3, it's probably what where it will head. Alright, well I just – I wanted Council 'cause some of them - you know I'm just more familiar with the debt when I was on there because a lot of it was water. Alright, thank you for answering my questions.

Mr. Revoldt: You're welcome.

Mr. Zumbar: You're welcome.

Mr. Revoldt: Is there anyone else who wishes to address the Council? Just by way of announcement, if there are those in the back of the room who cannot hear us from time to time, please gesture, raise it up so we speak into the microphones and everyone can understand what's occurring. Yes sir.

Larry Tripp: My name's Larry Tripp - reside at 1127 East Maple. I've been there for about 25 years now. I've been attending these meetings, council meetings, off and on now for about three and a half years. Just trying to get a little involved and interested in city government. And I remembered my first meeting, Mr. Davies you had just had lunch with the President of Walsh College, this was at a Town Hall meeting and you had just had lunch with the President of Walsh and you stated how neat it would be to a – to have a trolley running up and down Maple Street for the residents of the university. I don't know if you recall that, you may.

Mr. Davies: I did, yes.

Mr. Tripp: But it's been a couple years. But anyway I said boy there's a good, good idea. Good partner with Walsh – with Walsh College. And I thought gee, maybe they would do something to incorporate the Hoover Plant into dormitories and or something – classrooms for Walsh. But like you said, wishful thinking. So now tonight I just want to question why the speed and the urgency of the ordinances for the bond issuance? Okay. Two and a half years ago, like I said, they had town meetings at that time discussing our budget deficits. I remember going to these meetings and basically the city workers being chastised as being the real big reason, particularly the safety service areas, being chastised for really being the burden of the City at that time. I recall the Council President showing slides of the budget, the last one being the State takeover of fiscal deficiencies if they're not handled correctly. And then finally, I remember the \$65,000 audit that the State gave the City which I'm not sure what the City has benefited from at this point. I do recall the survey that was sent out to the City, that's eight months ago. We've not heard anything yet. The last I recall I was at a meeting here and they were – you were trying to get them \$340 or something for postage. I don't know what's happened to that now. That's been eight months ago. Mar – Ap – March the 8<sup>th</sup> I believe was I there and then since that time, some questionable spending. I've already mentioned the audit. Now I would like to mention the \$125,000 for the ballpark, the land adjacent to the ballpark there. Now I've heard rumors or comments that this may be passed onto the ballpark for parking.

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To let them pave that and let them park there. Please tell me that this is not true. Again, here's an opportunity for the City to partner with the state parks, make that a very nice entrance to the walkway that they have which is a really nice walkway and partner with them and let them extend the walkway and be something proud there instead of people having to walk in the parking lot. A little suggestion. But I certainly hope that there's – you folks are not thinking of paving that for parking. Okay. So now back to the bond issuance. I guess, again I'm not smart enough to understand this. I do realize you're probably under some time constraints. But then my question would be why wasn't this presented to the City earlier? You know why all of a sudden everything's just steam rolled by all the time. Everything's of an urgent nature. So and again I don't understand the 700,000 for the Arrowhead, that part. Again, what benefit does the City deriving from owing Arrowhead Country Club? Can anybody tell me that?

Mr. Revoldt: Sure.

Mr. Tripp: What?

Mr. Revoldt: Well you've got two benefits and I'll address your comments in a minute. Go ahead why don't you wrap up and then I think we're going to respond to some of your comments. So Mr. Tripp, if you'd like to continue.

Mr. Tripp: Okay. Okay, let me just continue, one other thing, to the Administration. Okay. I had suggested to my city councilperson earlier this spring a city-wide cleanup effort – spring and fall. You know, just to help the elderly clean up their yards, just pickup. We could get Boy Scouts troop – the first – the first time you might get one or two people. The second time you'll get more. Again, I would really – I don't believe he's ever told you – suggested that. But I think that's an opportunity for the city to move forward. And lastly, I question why the paving of 7<sup>th</sup> Street before – one week before school. Now Maple Street's tore up around Clearmount School. I do crossing guard there. Kids having to walk out in the street because of them putting in the new handicap. Again, you know, why now? Why isn't this done in the summer? Again, thanks for your time. Like others before me some will agree with my comments, some will say, you know, laugh them off, but that's good old democratic process. Thanks.

Mr. Revoldt: You bet. Okay, thank you.

Mr. Davies: My I respond quickly to the survey. You know the survey was done, things were reported on in this body and then there were also stories in *Out Town* about what the survey – what came back in the survey. So that – that was reported. It's hard to get it so that everybody can you know hear it. But we spent one evening and had a report from the Survey Committee from Larry Breckenridge and so forth on you know the answers to the survey and so forth. The Survey Committee intends to do another survey, but two things happened: One - I'm on the committee - we had a hard time deciding what kind of questions we wanted to ask. And so we spent a lot time discussing that and trying to come up with questions and so forth. Then some of the people on the committee were worried that in asking some of the questions we might possibly jeopardize the school levy and the library levy. So they said well why don't we wait until after the election so that we don't in any way hamper that. So that's what will happen. And then hopefully after the election the committee will get back together and then we'll work on a second survey. So it's out there but part of it was we didn't want to send questionnaires out that might cause people consternation and harm the levies one way or another. So that's really what happened there. Go ahead.

Mr. Snyder: Mr. President, if I may answer a couple questions relative to the bond issue. Number one, this has not been a fast tracked proposition. I believe it was either late May or early June when I first brought this honorable body the proposal that Mr. Zumbur and myself and Bond Counsel, Squires, Sanders and the cooperation of the Finance Committee was working on preparing this particular project. As it would be an immediate savings to the City of several hundred thousand dollars. So it has not been a fast tracked operation as far as moving it along. We've requested that there be at least three readings and that there be public input put into it. As far as time is of the essence, yes. The Bond Market and I am not professing to be an expert in the Bond Market, but it's the advice of the Bond Counsel and the Bond Agents that we employ that are professionals that the first part to the middle part of November the market goes into a hiatus for the holidays and we will miss the window of opportunity to sell our bonds at a very favorable interest rate somewhere between one and a half and three percent proposed. And if we wait until the first of the year to do this, that window might close and that opportunity may not exist. Consequently, letting us pass the ability to save at the minimum several hundred thousand dollars. The majority of the bonds are existing debt the City already has. They are in the form of a note. Some of them mature in early December. Some of them mature later into the next year. However, we are paying higher interest rates on that present debt and this is a means to take some of that debt and lumping it into one rollup which will provide for a lower principal interest payment, releasing more money back to the general fund. And relative to the Arrowhead debt, there is a debt of \$700,000 owed on the Arrowhead. We're going to relieve that debt by rolling it into a bond and placing that \$700,000 with additional monies that we have in the general fund and putting a restriction on that money that it be used as an emergency fund or a rainy day fund however you want to term it for the City. It makes very good sense, but that doesn't necessarily mean it's going to pass. It's up to at least four people to vote for

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it in the affirmative and there will be additional time for the public's input on it. If they feel that it's not prudent or not professionally thought out, please step forward and let us address all those answers. But it has prudently and professionally thought out. It's been looked at by many pairs of eyes. As I said, it began either late May or early June. That's all Mr. President.

Mr. Revoldt: Mr. Tripp, did we answer your question about the bond? Do you have a follow up question?

Mr. Tripp (speaking from the audience): No, I'm fine.

Mr. Revoldt: Perfect. Okay. Is there anyone else who wishes to address the Council?

Mr. Tripp (speaking from the audience): I didn't get the answer to the question though, what ...

Mr. Revoldt: Oh, excuse me.

Mr. Tripp (speaking from the audience): what ...inaudible... does the City ...inaudible...

Mr. Revoldt: Let me answer your two questions. First of all the Performance Audit was an integral element in our negotiations with our employees regarding wages and benefits. And we believe that the information contained in that audit helped our position prevail during those negotiations. To wit we were able to secure changes in our overtime rules which will save the City tens of thousands of dollars.

Mr. Davies: What have we saved so far this year? You had numbers.

Mr. Revoldt: You've got the numbers Alex.

Mr. Zumbar: And we'll just look at three particular areas in...

Mr. Snyder: 50,000, 60,000 I hear.

Mr. Revoldt: Can you hear Mr. Tripp? Please speak up.

Mr. Zumbar: In the -- we'll just look at three particular codes, the overtime Police Department and then the overtime Dispatch. Last year at this point in time we spent \$106,000; this year so far we've spent \$69,000 in police overtime. Last year for Dispatch we spent \$24,400 at this point in time, this year we've only spent 12,600. In terms of EMS and Fire and again, I'm just choosing select items here, in overtime for EMS we've spent 127,000 last year and again this particular contract didn't get wrapped up until I want to say July time frame, so we spent 127,000 last year at this time and this year at this point in time we've spent 88,000. It was almost an immediate impact, that's just two months.

Mr. Revoldt: So we've got well \$50,000 in savings.

Mr. Davies: Plus we had considerable savings in snow plowing.

Mr. Revoldt: So to drive home this point, we paid roughly \$65,000 for that Performance Audit. In overtime alone, the savings in overtime in one year, that audit has been paid for.

Mr. Tripp (speaking from audience): I'm not convinced of that. That's paper because you can't say that audit saved you \$50,000. That's what we had managers for prior to that.

Mr. Revoldt: Well I would ...

Mr. Tripp (speaking from audience): Inaudible...

Mr. Revoldt: I would respectfully disagree because there's one thing that happened, and that is the overtime rules were changed. Now trust me the employees did not willingly give up the change in rule. So the question begs itself, how did that happen? It wasn't the good fairy who secured those changes in the collective bargaining agreement. It was negotiated by using that particular document which was introduced into the discussion. So you can remain unconvinced. We happen to believe that's the route that secured the change. And quite candidly, if you have an explanation, I'd like to have it. So if you've got one that explains how this all occurred, I'd be happy to have you present it to us.

Mr. Tripp (speaking from audience): One of these days I might do that.

Mr. Revoldt: Well, you can -- I can...

Mr. Tripp (speaking from audience): One of these days I might take the time and look into it.

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Mr. Revoldt: I would encourage you to do so.

Mr. Tripp (speaking from audience): I looked in the paper and more and more you see more police reports in the *Repository* than I noticed living 25 years. Could that be because of one less patrolman or two less, I don't know.

Mr. Revoldt: I have no clue.

Mr. Tripp (speaking from audience): You don't know.

Mr. Revoldt: I don't have...

Mr. Tripp (speaking from audience): I'm just saying that's what I see.

Mr. Revoldt: Here is what we do do. We do keep – the Chief provides us with an annual report of crime stats for the community. I would venture to say that his annual report is probably a better gauge of what's occurring in the community than police reports because a police report would be subject to whether someone gets up, files it, how complete it is. To the best of my knowledge and I would defer to anyone here, I don't think we've seen an escalation necessarily in criminal activity across the board, whether it'd be felonies or misdemeanors. Again, if you've got other stats that would suggest otherwise I'd be happy to look at them.

Mr. Tripp (speaking from audience): That I will do.

Mr. Revoldt: Okay, that'd be perfect.

Mr. Tripp (speaking from audience): But now the Arrowhead, could you address that one?

Mr. Revoldt: Sure. Arrowhead in my opinion does three things for the City: One it provides green space for future use. Number two is it provides, in my opinion, a potential source for raw water. And number three is, as it's currently structured, we receive about \$100,000 a year in lease payments.

Mr. Zumbar: 150.

Mr. Revoldt: 150 – 50 of it goes to taxes. Correct?

Mr. Zumbar: 50 goes to property taxes.

Mr. Revoldt: 50 goes to taxes, but we receive about 100,000 in cash. So three good reasons.

Mr. Tripp (speaking from audience): Okay. You mentioned the water reserve. You know it was I think April – March when we – when you were negotiating water rates. Mr. Osborne brought up something to the fact why not build a water - a waste treatment plant in North Canton. And you – at that time I recall you saying to Mr. Osborne, why build something when you have nowhere to sell it. Where are you going to sell this water?

Mr. Revoldt: Well the water is kept in reserve. The fact of the matter is our principal western water fields and this would be the Freedom field up by the plant and the Dressler field as well as Price Park, in my opinion, may encounter issues in the future. Arrowhead is a bank, that's what it is and we're fortunate to have that bank. We can no longer frac the well field at Price Park. So over the years the capacity there has diminished. My concern about Dressler and Freedom is that any well fields that are in industrial areas run the risk of contamination and loss. So if you believe as I do that water is an important commodity for future economic growth, it's best to have sources. And we're blessed with frankly two really terrific ones, East Maple, Oster, which we're going to be voting on tonight and Arrowhead if we ever need it. That's the tough part is to try to anticipate where this community should be long into the future. I can't speak for anyone else, but in my opinion it's smart to have it.

Mr. Osborne (speaking from audience): Mr. Revoldt, may I have a follow up?

Mr. Revoldt: No.

Mr. Osborne (speaking from audience): Everyone else can cut I can't.

Mr. Revoldt: No.

Mr. Tripp (speaking from audience): So now you're saying Price Park there's probably going to be a deficiency there.

Mr. Revoldt: Well what I'm suggesting to you is that over the years the productive capacity of that particular well field has declined.

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Mr. Tripp (speaking from audience): Okay.

Mr. Revoldt: And the typical approach to increasing the productivity is to frac the rock. In other words you put a charge down there and have an explosion. Given the proximity of homes to the well field that's not a practical solution. Fair enough? We can continue that discussion later.

Mr. Tripp (speaking from audience): For now.

Mr. Revoldt: Very good.

Mr. Davies: Let me mention real quick, we have tentatively scheduled a Town Meeting for November, I believe it's 13. Wasn't it? Gail, you...

Mr. Revoldt: November.

Mrs. Kalpac: 10<sup>th</sup>. Wasn't it the 10<sup>th</sup>?

Mr. Davies: What did I say? Or the 10<sup>th</sup>. It's the Tuesday after the – or the Wednesday after the election. So that will be announced so we'll have time...

Mr. Revoldt: November 9<sup>th</sup> is a Tuesday and Wednesday's the 10<sup>th</sup>.

Mr. Davies: You're welcome to come the 10<sup>th</sup>, yeah. So set aside November 10<sup>th</sup>, it will be at 7:00 and we can go – talk about this further if you like.

Mr. Revoldt: Okay. Very good. Anyone else?

Mr. Osborne (speaking from audience): I raised my hand.

Mr. Revoldt: I'm sorry Mr. Osborne. As we have no business, let's move on to new business. I would call Council's attention to the fact that we have – I have in my possession, signed Fiscal Officer's Certificates for Ordinance No. 76-10, 77-10, 78-10, 79-10, 80-10 and 81-10. Let me move on then to Item 10, a motion to read by title only, first reading of Ordinance No. 76-10.

## OLD BUSINESS:

9. None

## NEW BUSINESS:

10. Mrs. Kiesling moved and Mr. Foltz seconded to **read by title only, first reading** of Ordinance No. 76-10. All members present voting:  
Yes: Snyder, Davies, Foltz, Kiesling, Revoldt,  
No: DeOrio

**Ordinance No. 76-10 – 1<sup>st</sup> Reading – Finance & Property**

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$700,000 for the purpose of paying costs of improving and renovating the existing City Hall and Civic Center by replacing the roof on each, and renovating municipal facilities and improving the sites thereof, and declaring an emergency.

Mr. Snyder: Mr. President, pursuant to last week's Council of the Whole meeting they did send in and we will talk about it in a moment, an amended ordinance on that same factor. However, we did not consider that. And I've passed out a sheet outlining basically what the original request was for \$700,000. And I think it's incumbent that I point out this is new money, this is a new borrowing, this is not existing debt. We do have a decaying City Hall. We have a decaying Civic Center that needs a roof. We're about to the end as far as we can go. There are additional compliance problems at the rear of the building, the main entrance of this building, in order to make it ADA (American Disability Act) compliant it's approximately \$45,000. The stucco on the exterior of the building and on the Dogwood Park Shelter is both in disrepair. That includes that, as well as some bathroom work, some floors in the front porch which is also being - having a problem. I don't know if that's from the rains or what's caused that problem. But those are the aggregate amounts that come up. Now they've added – we are in desperate need of a salt storage shed. Our existing one is hanging by a thread. It is not – cannot be replaced where it's at because the proximity of the water well fields is not good. So they're – however, if at this present time we are not interested in amending this ordinance to include that, we can look at this at another time – the salt storage shed, and a note could be created if it's desired by Council to do that. I think we're better off taking the way it was originally went through committee and not amending this particular ordinance at this time and giving it at least its first reading the way it was proposed as we can get some more detail and bring it back to Council over the next weeks. That would be my suggestion sir. If that's all right with Council we'll proceed along ...inaudible...



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COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC. FORM NO. 10148

Held	Monday, October 11	7:00 p.m.	20	10
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Mr. Revoldt: Any other comments?

Mr. Davies: Did - go ahead, Doug.

Mr. Foltz: Just to go through the list, we say City Hall back door. Obviously that's going to make this more handicapped accessible...

Mr. Snyder: Exactly.

Mr. Foltz: the correct doors, the ramps, so forth, a button...

Mr. Snyder: Right.

Mr. Foltz: Okay. When you say City Hall miscellaneous repairs 75,000, what does that entail exactly when you say bathrooms? I mean are we replacing fixtures in there, privacy panels, sinks, we got to re-plumb anything? The floors, front porch can there be more of a work list for us to consider?

Mr. Benekos: We could probably detail that out for you.

Mr. Foltz: Okay. Obviously the Civic Center roof is self-explanatory, this roof. Okay, that's what I'm looking for. When you say City Hall stucco, they're going to go over the concrete facade around the building there or clean it or are they going to coat it with something that looks a little nicer.

Mr. Benekos: Yeah, they need to clean it - all the rust stains up on the...

Mr. Foltz: Okay.

Mr. Benekos: we need to get rid of that. We'll be putting new stucco on there. The porch itself, the finish on the porch if you go on the one step there going out towards the bank that's been deteriorated, it's been patched, we need to put a permanent fix on that. But the coating that's on the patio there it looks poor. I think you know when we had events in the City and people utilized that ...inaudible... I think you know City Hall is 40 - is it in the 70's mid 70's...

Mr. Revoldt: Yes.

Mr. Benekos: 30, 40 years old. It's showing its wear. The floors in the bathroom I think if you go in there the stalls, the fixtures, one of the sinks works, one doesn't in the guys restroom. I don't know in the ladies restroom what all the work that needs to be done in there. There's some painting that needs to be done. The steps out here, the treads on there need to be rehabbed. If you look in the front vestibule, two weeks ago I was working with the vendor. And we came in on a Saturday and put in new mats there just to see if we liked that to put them in the front vestibule or the rear when we redo that. So if you get a chance to look at that, I think it turned out very nice at a minimal cost. We looked at some renovations, expansion of office space over in the Administration's Office and that cost will be included in those miscellaneous repairs. So...

Mr. Foltz: I appreciate that. Yeah, anything to detail this. We're spending more money. I'm ...inaudible... in favor of this premise, but I just want to make sure that it's going to go the way it was originally intended to go for.

Mr. Revoldt: Before you continue, let me, if I might, and I'm going to ask Council later this evening to authorize this, what I'd like to do is have these items back on the agenda next Monday night - all of them. We can, if we choose, suspend the rules to allow for additional public comment at that time. Following that committee meeting I'd like to have a second vote at a special council meeting so that gives us two. If we're in the comfort zone, we can suspend the rules, adopt on emergency. If not, then we can roll it over to the following week for a third and final vote. So that way it allows us to meet, if we have a majority, to meet the requirements of Bond Counsel to move this before the Thanksgiving recess - Thanksgiving holiday. So we'll have it done by the end - roughly by the end of the month. That's the goal.

Mr. Snyder: You know Mr. President, if I may point the two things play. Number one, most of these that are lumped together are going to require competitive bidding. So we'll see it prior to any money being expended. Secondly, under the Ohio Revised Code, if we move forward with this borrowing, it has to be used for what the purpose that it was borrowed for. We cannot use it willy-nilly for some other purpose. And what isn't used cannot be arbitrated and just put into a bank. So it will have to be returned back to the people who purchased the bonds. So it will be closely guarded and everything will take an actual ordinance of Council to expend the funds. But I agree Mr. Foltz, we do need - maybe by next week we'll have a little more detailed - it's a work in progress and I apologize for that as we move along. Mr. Davies.

Mr. Davies: Have we gotten bids on this roof?

Mr. Benekos: We have got an estimate. We haven't bid it out. We have an estimate.

Mr. Davies: From whom?

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Mr. Benekos: Tom Chufar got that. I believe there's a contractor. I have a copy in my office if you'd like a copy of that.

Mr. Davies: Yeah, I would. You know again, I agree with Doug, this is a little bit loose. I don't know how you're going to borrow this money and if it's not used give it back. I don't understand that how that works.

Mr. Snyder: You can't use it. Well you can't. It has to be used for what the purpose of the bonds were purchased for.

Mr. Davies: The other thing is I you know, I'd like to know for all this, the 4 million or whatever it is that you want to borrow, you know, what the cost is of those funds that we're already borrowing, we have notes out. I understand the interest rate is higher, but the time length to pay it off is shorter than the 20 years you're proposing – 20 and 15 years. So you may get lesser interest rates but if you extend it out it may or may not save that much money. I'd like to know the cost. The total cost to the City for the difference in the two you know for the existing debt, number one.

Mr. Snyder: For the existing debt, understand the existing debt has no P and I in it. The existing debt is a note which has an interest bearing note maturing once every 12 months. So it is strictly as if you had a line of credit and you borrowed a million dollars, you will pay interest every year. There are no P and I payments on the existing debt.

Mr. Davies: So you're just borrowing money every year and...

Mr. Snyder: Every year we re-borrow the existing debt and we put it out and we bid it for the cost as a tax exempt entity. And presently I think it's running right around five percent, isn't it Alex, five and a half ...

Mr. Zumbar: Four and a half

Mr. Snyder: Four and a half. So...

Mr. Davies: But still you've got to say we'll pay it off at some point in time. How many years are you looking at?

Mr. Snyder: Well eventually – eventually what happens as he spoke to you last week, eventually what happens is the same thing as has happened with the Arrowhead note, the people when they're looking at you from a financial standpoint, they're saying it would be no different than borrowing your line of credit at business. The bank says fine, you cannot retire your line of credit. You have to have it resting for so many months a year because otherwise you're just - it's becoming operating capital. That's what the Arrowhead note is, it's operating capital. There is no such note. We've paid, we hold it as a note payable to our self. The State Auditors told us in the meeting they don't like it, it's a hoop, smoke and a mirror. The same with the \$950,000 note where you're going to have to put it out into a bond at the end of the year or re-borrow another year note and then eventually finance it. But we eventually have to put it into hard financing. We can't continue to roll them over because we're using debt to finance debt and that eventually catches up to you.

Mr. Davies: Well yeah. You know...

Mr. Snyder: But we are still in a position that with this borrowing, should it go forth the amount of money requested, we are still – we have a debt ceiling of about twenty-four and a half million dollars and we are about – with that debt, excluding the Water Treatment debt, we are about twenty-four and a quarter percent on our total outstanding. So we're in the lower quadrant as far as debt.

Mr. Davies: But those debt ceilings were established at a different time before the world changed. And I can guarantee you the world has changed, it just has. And I think you know those debt ceilings may not be...

Mr. Snyder: Well the problem...

Mr. Davies: correct given what's going on in the world today. Not what you know when they did that ten years ago. The world was a different place.

Mr. Snyder: Well what you reach – you reach a point, the point we're at right now, I mean we're saying that the general fund most of that debt that we're paying a lot of it comes out of – the Arrowhead comes out of the general fund.

Mr. Davies: I understand.

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Mr. Snyder: By rerolling the note on the Arrowhead we create an immediate cash flow of \$41,000 a year, positive, after the note payment and we still have the property. Plus we return the \$100,000 payment back to – that \$141,000 to the general fund – positive, that we didn't have when we started. We cannot borrow this money, we can put at the proposed 2011 budget for capital improvement the City Hall roof is in there and some other things. It exceeds our ability to do that by about \$675,000 at present. However, if we do that there will be no roads paved, there will be nothing done in the infrastructure in the City. That'll be two biennium without any infrastructure. The roads will not maintain it. We owe a responsibility to the people to probably approach our abilities to leverage what monies we have and to return as much money as we can to the general fund and still stay financially responsible. I mean it's just not borrowing money just to borrow money. I mean everything has a thing and I understand from the potential borrowings about a 750 to 800,000 is new money. The rest we are committed to do. The sewers, we've already passed an ordinance. We'd have to go out and establish a note. We've established a note for the waterline already. We've already passed an ordinance for the 650,000 for the Frank Road waterline. I think that was about the majority of them. And the rest are straight rollovers. But again I, and I think that's why I've asked the President that we have at least three readings on it and public input.

Mr. Davies: Well again, I just think we need a better plan for the City before we start borrowing more money and go into more debt. I just do. I know you know the water fund we were told by Arcadis that we need to raise water rates five and a half percent for the next four years or five years. We haven't done that. So we're going to get in - there's going to be problems there sooner or later. Now with the new Aqua Agreement, that should help some, but I don't know what the figures are on you know how much more has come in with that new agreement or whether there you know there has been substantially more in the water fund and it's cut what we need to raise the fund. But we were told we should do that and that hasn't been done. The sewer fund we did raise for like a two year period, but only half of what we were asked to do it according to Arcadis if you recall ...

Mr. Snyder: Right.

Mr. Davies: because we didn't know what the meters were going to run whether we had to pay the \$700,000 for meters or we could put temporary meters in and so forth. Jim is working on that. So we said well let's do it for like a two year period and only do part of it till we see where that comes out. And I don't know where we are on that. I have no idea what we're paying for meters at this point whether we're putting you know buying the \$700,000 worth or we're putting temporary in for somewhat less than that. Again, this stuff's not telling me a lot of stuff. I can't vote for any of it personally.

Mr. Revoldt: Mr. DeOrio.

Mr. DeOrio: Yes, thank you. You know as far as the notes and you know if we don't use them for their intended pur – we cannot use them for their unintended purposes. The money would have to be returned. You know I would ...inaudible... that you know descriptions such as "renovating municipal facilities" is so vague that you could – I could think of a zillion different applications of those funds that would never cause them to have to be returned to the bond holders. Improving the sites thereof, extremely vague. So you know to me that doesn't you know weigh a lot in my mind as far as insurance that if I'm a tax payer that the elected officials are going to do with the funds what they say they're going to do with the funds. Considering that we really don't have you know a concrete plan you know presented to us. We have an estimate for the City Hall roof, I've never seen it. r. Davies I gather has never seen it. We don't even know who the contractor is. This is too loose to be putting in a situation where we're increasing our debt on this particular Ordinance, 76-10, you know to the tune of whether it's amended or not \$700,000 up to you know 1.1 million. Salt shed, been fighting the salt shed for the five years that I've been here. We've always tried to work that into the budget, split it out 50,000 into this line item, 50,000 in that line item. Last I – last one that I kind of recall working on in great detail, that was like a 300 to \$350,000 project. We've gotten by without it before. I would challenge us to think outside the box better and find a way to partner with any community around us that still talk to us and find a way to share resources so that we don't have to borrow you know that kind of money. So in my mind this particular one and I've got issues with some of the others, but – all of the others, but in this particular one it's written too vaguely, the money could be used for every – anything under the sun. There's no detailed plan as to how these things are going to be expended. So on this particular one my vote would be no as well.

Mr. Revoldt: Anyone else? If not, let me have a motion to adopt the first reading of Ordinance 76-10.

Mr. Snyder moved and Mrs. Kiesling seconded to **adopt the first reading** of Ordinance No. 76-10. All members present voting:

Mr. Kalpac: Davies.  
Mr. Davies: No.

Mrs. Kalpac: DeOrio.  
Mr. DeOrio: No.

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Mrs. Kalpac: Mr. Foltz.

Mr. Foltz: Yes, with more information to come. Correct?

Mrs. Kalpac: Kiesling.

Mrs. Kiesling: Yes, and I completely agree and I would love what Jeff was talking about. I think we talked about it earlier you know how it all plays out the original debt and this new debt.

Mrs. Kalpac: Revoldt.

Mr. Revoldt: Yes.

Mrs. Kalpac: Snyder.

Mr. Snyder: Yes.

11. Mr. Revoldt: Item 11, a motion to read by title only, first reading of Ordinance 77-10.

Mrs. Kiesling moved and Mr. Foltz seconded to **read by title only, first reading** of Ordinance No. 77-10. All members present voting:

Yes: Foltz, Kiesling, Revoldt, Snyder.

No: DeOrio, Davies.

**Ordinance No. 77-10 – 1<sup>st</sup> Reading – Finance & Property**

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$900,000 for the purpose of paying costs of constructing a waterline between certain termini, together with the necessary appurtenances, and declaring the same to be an emergency.

Mr. Snyder: Mr. President, Members of Council, this is a bond to be sold to pay the existing – we have a note in the amount of \$900,000 which will mature the 29<sup>th</sup> of December of this year. And this would replace that note with a bond in place and this waterline is the one running from Oster underneath the interstate over to the interconnect at Everhard.

Mrs. Kiesling: Pat has a question.

Mr. DeOrio: Question – Okay, so now we have – this is an existing note and when was this note taken out? Was this – is the 900 the principal...

Mr. Zumbar: Yes.

Mr. DeOrio: original amount?

Mr. Zumbar: Original. In January we footed the note. Council adopted that in order to do the raw waterline for Well No. 10.

Mr. DeOrio: Alright. And what would be then if we didn't do this, what was our plan as far as what we were thinking of paying down on the note each time?

Mr. Zumbar: We did not establish an amount to paid down. The intent was to and I think it was brought up then we were going to roll this into a bond issuance later on and this is part of that bond issuance.

Mr. DeOrio: And the interest rate on that note presently?

Mr. Zumbar: I believe that was two percent.

Mr. DeOrio: Two percent.

Mr. Zumbar: Between one and two percent.

Mr. DeOrio: Now if you – and that matures you said or it comes due.

Mr. Zumbar: It's going to be coming due here ...

Mrs. Kiesling: December.

Mr. DeOrio: December.

Mr. Zumbar: December 26<sup>th</sup>.

Mr. DeOrio: Okay. And then if you were to redo it, what would be the interest rate?

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Mr. Zumbar: Again, between one and four percent if we rolled the note over again and you'll have to pay down something I'm sure or you can just roll it over and you pay the interest.

Mr. DeOrio: Alright. So in this particular case then it sounds like the interest rate you know could be the same, maybe more if we're paying between one and two percent now it's going to be hard to get, maybe not. But it doesn't seem like there's an interest savings. In this one it seems to me like we're refinancing for cash flow. We're going to stretch this out over a 20 year period and thereby our principal and interest repayment, our P and I as Mr. Snyder refers to, will be some amount but it would be – it sounds like that would be significantly less than what we would be doing if we're just doing the 900K on a note. Is that a fair ...inaudible...

Mr. Zumbar: That's correct. The debt service is then fixed and you have a lock in for 20 years.

Mr. DeOrio: Okay. Well the concern that I'll have and it isn't really so much with that process as it is with – we will find on this one and find on others that we create a lot of free cash flow. And if I know government and I know government, they'll waste the free cash flow. It won't go to a good purpose. A rainy day fund, I commend the Chairman of the Committee for making the effort to do that. I certainly do – wanting to help draft that legislation because we don't want to create a rainy day fund. We used to have a rainy day fund. We used to have a lot of money in the rainy day fund, but over the years we found reasons to get the umbrella out and that money went away. I would like to just make sure that everybody is aware of the dangers that when you refinance for cash flow and you've got a lot of extra money around you really think that maybe you've hit the lottery or you've gotten a lot of revenue and we really haven't. We just extended our debt for a longer period of time. I don't disagree per say with taking the note and putting it into a bond, but you know we need to make sure that we can provide assurances to the citizens in the future when many of us may not be sitting at this table, that those savings, those cash flow savings, result in something meaningful to the residents.

Mr. Snyder: You know Mr. DeOrio, maybe I misunderstood, but we're actually not going to create a new money here. This is just going pay – it's going to pay that note we have, but the 900 we never had. This will only – this is in the water fund and it would lessen the pressure on the water fund, as Mr. Davies pointed out, for having future rate increases to retire additional debt. But it won't create any new money in there. Will it Alex?

Mr. Zumbar: No. It's to pay off the \$900,000 that we borrowed in the note.

Mr. Snyder: Yeah, there's what...

Mr. DeOrio: But if our intent was we were going to pay as we've done with Arrowhead, pay \$100,000 on it to pay down a note and then roll it into another note for 800,000 or 825,000 and we were going to put 75 on it, now we're not going to put 75 on it, we're going to put whatever – 900,000 and add two or three percent interest over 20 years is – that's a lot less.

Mr. Snyder: Yeah, I see what you mean.

Mr. DeOrio: So that is...

Mr. Snyder: Yeah, I see what you're saying...

Mr. DeOrio: It's a less of a burden. It's therefore – whew man, I don't have to spend 75 we've only got to spend 25. Now what am I going to do with that other 50 that I just saved?

Mr. Snyder: Yeah.

Mr. Revoldt: Put a lot of pressure on the Finance Committee, doesn't it? That's really where the rubber hits the road. We – there are two ways we're going to get drilled down. The first is that if we are careless in collective bargaining – that's number one. And we all know that there are circumstances beyond our control in that process in the way the law is written. That's A. B is, if we're careless or if future council is careless with its spending, that's how your money goes away. That surplus gets frittered by careless spending.

Mrs. Kiesling: But on this...

Mr. Revoldt: It's an enterprise account.

Mrs. Kiesling: Right and...

Mr. Revoldt: It can only be used for water or wages within that account, that's it.

Mrs. Kiesling: And we talked about not raising you know this may be one reason we don't have to raise water rates.

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Mr. Davies: But without a plan, at some point somebody will say we can get a grant and only pay half and if we don't do that we're wasting money and the money goes. You know that's been done numerous times. And again, it's not that I'm against spending or making things better, but I think you need a plan and decide you know – Daryl, you and I had the conversation of streets and rather than splitting money up evenly among the wards you look at the streets that have the most need and do those first. And I tend to agree with that. But we need a plan you know what is – what does need to be done first. Before you just had money laying around and somebody said well we can get a grant and now we'll spend it. That's where I'm coming from, we need a plan and we don't have it.

Mr. Revoldt: Alright. Any more discussion on this matter? Seeing none then I'll entertain a motion to adopt the first reading of Ordinance 77-10.

Mrs. Kiesling moved and Mr. Snyder seconded to **adopt the first reading** of Ordinance No. 77-10. All members present voting:

Yes: Foltz, Kiesling, Revoldt, Snyder.

No: Davies, DeOrio.

12. Mr. Revoldt: Item 12, a motion to read by title only, first reading of Ordinance No. 78-10.

Mrs. Kiesling moved and Mr. Foltz seconded to **read by title only, first reading** of Ordinance No. 78-10. All members present voting:

Yes: Kiesling, Revoldt, Snyder, Davies (yes on that one), DeOrio, Foltz.

No: 0

#### **Ordinance No. 78-10 – 1<sup>st</sup> Reading – Finance & Property**

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$700,000 to pay a portion of the cost for the purpose of paying a portion of the costs of acquiring the premises known as Fairways of North Canton (f.n.a. Arrowhead Country Club), located at 1500 Rogwin Circle SW in the City of North Canton, Ohio, and declaring an emergency.

Mr. Snyder: Mr. President, Members of Council, our present amount that we owe on the Arrowhead note is about 750 - 700 to \$750,000. We were aggressively paying it down at the rate of 300,000 per year. At the advice of the State's Auditor, they said that we reduce it to \$100,000 a year. They felt it was too much pressure on the general fund. Presently, as was earlier noted, we receive – we're into a lease for \$150,000 per year, paid monthly. To which about 47 to \$48,000 goes to the schools and other ancillaries \$50,000 and \$100,000 comes to us. This \$750,000 would be unfortunately a tax issue because it is a leased property and we cannot sell a tax exempt bond on a leased property. Our payments and interest over the period of years would reduce down to approximately \$68,000 and change, that's both principal and interest, leaving a positive cash flow on our rent – on our lease of about \$42,000. We can talk about what happens to that later. The 700,000 that we would receive because again, it's very hard to understand how we initially set this program up, we used about two and a half million dollars in cash and another two million dollars in financing internally, but we actually paid. The State Auditor did not like nor do they like the way that we presently do it. It does – it isn't crystal clear enough and looking at it, it presents a problem. But if we would receive, going to Mr. DeOrio's statement, it we would receive the \$750,000 in monies by selling this bond and it went right into the general fund, it would probably track right back out into some project or into somebody's paycheck. Consequently, it would serve no overall purpose. So my suggestion at that point, working with the Director of Finance and Bond Counsel and as we move along, we would create an ordinance requiring at least 15% of the general fund money, along with this \$700,000, be placed into a fund and not be able to be used for anything except an emergency or affirmative majority vote of the Council to do it. So that way the money will have an actual trail on it. It will actually have a tail and it cannot be used for anything just because we have a particular project that we have and it's somebody likes to call political pork. So the money will be as protected as one can protect it. And that's basically that.

Mr. Revoldt: Other questions or comments.

Mr. DeOrio: Okay, so what happens to the 100,000 in rent?

Mr. Snyder: That goes – the 100,000 in rent that's – first of all it will – the general fund will not have the 100,000 payment for the note. The \$100,000 – that's why I say I would like to address that again. That 100,000 – 69,000 – 68 and change should go to pay the note, the other 40 should go into a special fund to protect Arrowhead as far as any property improvement that might have to be done there, should it be a roof, should it be fire suppression system or something, should be an escrow setup for that money. Again, that money should not just be used for anything and I would highly encourage that. If not do it myself, someone else to introduce legislation to protect that initial money over the next 20 years, which would be roughly about \$800,000 should none of it be used at the end of the period of the bond issuance. And that would be money to be used whether it be paving –

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paving the parking lot, any general capital project on that property. The City has an investment of four and a half million, but due to economic times it's probably not worth four and a half million but hopefully we will not be in these times forever and the property will start to ascend back and it will be worth something. And we have an obligation to maintain that property and the integrity of it. But I would support that Mr. DeOrio and I would think that would be a good idea.

Mr. DeOrio: Alright, so you're saying that the -- that the P and I on the \$700,000 bond is going to be about 68,000 a year?

Mr. Snyder: Yes sir. Leaving about 32 I guess.

Mr. DeOrio: We had originally, way back in the day, did like two million on this and worked it down to 7?

Mr. Snyder: I believe it was two. Yeah, we paid four and a half million dollars for the property and two and a half million we placed in cash and the rest we borrowed from ourself. We didn't actually issue it but we borrowed it from ourself and we're paying it back at the rate of I think around a five -- it's about a five and a half percent interest note isn't it?

Mr. Zumbar: It's four and a half percent...

Mr. Snyder: Four and a half...

Mr. Zumbar: We're paying about \$100,000 down each year ...

Mr. Snyder: Right.

Mr. Zumbar: with interest.

Mr. Snyder: And presently the yield on it is about \$26,000 I think that's going into the general fund as interest on the money that we've expended. We would lose that. So actually it would be a net effect of about \$74,000 less pressure on the general fund. Right?

Mr. Zumbar: Yeah. You're - the interest I think this year was 39,000.

Mr. Snyder: Oh, was it that high? So we would actually be a wash on the interest that we would put away.

Mr. Zumbar: This is an expense - exactly.

Mr. Snyder: But you're relieving the general fund's obligation to pay the \$100,000 note payment. In essence what Arrowhead becomes is a self-sufficient entity.

Mr. Zumbar: Yeah, one of the nice things about a bond versus a note rollover, each year we do the note rollover, you'll see that we have issuance costs and those issuance costs about anywhere between 4,000 and can range as high as 6,000 each time we roll that note over. So every year it's costing us six grand just to roll that note. So if you lock it into a bond what you do is you amortize the cost of the bond issuance and then in this instance you're going to have a bond issuance somewhere between the vicinity between 55 and \$60,000. It's amortized over a 20 year period of time. So that may be only \$3,000.

Mr. Snyder: Right.

Mr. DeOrio: Well I guess I can't get it out of my head here because in one of my other occupations I deal with a lot of landlords. So I get -- I'm looking at this analogy. So if I own a rental property and I owe \$700,000 on this commercial rental property and I've got rents that are coming in that make - of \$100,000 a year it makes my -- the principal and interest payments on my mortgage that I used to buy this property and based on the past history here it would appear that in seven to seven and a half years this property would be -- that debt would be retired and the property would be owned free and clear. And the interest that I'm paying on that note right now is four and a half percent. And I'm going to refinance it and I'm going to assume that if I get some savings on the interest rate, three and a half percent instead of four and a half percent you know over a 20 year period, if we could just for purposes of conversation use the rule of 72 divide the interest rate into 72 takes it roughly about how long it is to double your money, you're looking at in 20 years that \$700,000 refinancing is going to cost with the interest you know 1.2 million. Now if we're getting 68,000 that we would apply to the new P and I and if the guy's paying between 100 and 110, that leaves somewhere between 30 and 40,000 that we could put in this escrow to protect Arrowhead and I do like that part of it, Jon. But then the Finance Director's saying that we're going to lose out on interest that we're I guess in essence paying ourselves which kind of wipes that that money going into escrow kind of like you said it kind of one hand washes the other.

Mr. Snyder: Yeah.

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Mr. DeOrio: So you know I don't see a lot of benefit. And if I was a landlord I'm just trying to figure out why I would want to pay even more for a property that I'm going to have paid for in seven to seven and a half years.

Mr. Snyder: Well and I may – it accomplishes two things. One, the way we originally financed it is very convoluted. And I don't know and I'd have to – I'll have to defer on Alex on that, if – it was my understanding in that meeting that we basic – we didn't make a promise but we lead them to believe that by the next audit we would have this cleaned up either by paying it off or putting it out on a bond because they've made notation to the fact that they're not – this has been the third or fourth year that they've warned us that it's really not in the best accounting practice to keep it the way it is. So that addresses that first problem. Secondly, I think that it's much easier for the public understands that we're not \$100,000 of the general fund money which we are today to pay towards that note, it stops that. Arrowhead becomes self-sufficient at that particular point. It stands on its own. I realize there's still a long ways between four and a half...

Mr. Davies: It's general fund money that pays the bond back.

Mr. Snyder: Yeah.

Mr. Davies: It has to be so you're still taking it...

Mr. Snyder: No, it isn't. No it's not general fund money, it's Arrowhead money. It's the rent that pays it back.

Mr. Davies: Well but it's...

Mr. DeOrio: But it's self-sufficient now.

Mr. Snyder: Yeah.

Mr. DeOrio: It pays \$100,000 in rent to...

Mr. Snyder: Out of the general fund.

Mr. DeOrio: to which we pay \$100,000 towards the debt.

Mr. Snyder: Right.

Mr. DeOrio: So I mean it generates sufficient cash flow now to pay the note.

Mr. Snyder: Right.

Mr. DeOrio: Would - could we not accomplish the same thing by doing the 700,000 over a shorter period of time? Say a ten year note?

Mr. Snyder: Ten year bond.

Mr. DeOrio: Ten year bond.

Mr. Snyder: Yeah. There's no problem with doing that. I mean it just accelerates the payment or the amount of payment. But that's fine. I mean...

Mr. DeOrio: But it pays it off. The key is, is to not keep refinancing something as we run out of funds. I mean we'd like to get the thing paid for. And you know I just can't see paying you know basically double the amount over the next 20 years. You know I could find it more palatable to satisfy the State Auditor and eliminate the convoluted nature of this transaction if we can do it over a 10 year period. We would – you know we would be more true to that 700,000...

Mr. Snyder: Well that's an excellent compromise. I don't see anything wrong with that. I mean it just makes our payment a little higher but that's fine.

Mr. DeOrio: Granted our payment would be higher but with the tenant that we have ...

Mr. Snyder: Right.

Mrs. Kiesling: We could afford it.

Mr. Snyder: Yeah, but that makes good sense. I don't think that's – that makes good fiscal sense just to require just a – in fact I think originally we talked about a 10 year bond.

Mr. Zumbar: We – I may have to go out to Squires and have them redraft the ordinance if that's the direction and intent of this council. We can do that. We can come back with an amendment to that particular ordinance.

Mr. Snyder: Yeah, and that's not – that's not a – I don't think that's a serious problem.



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Mr. DeOrio: Yeah, I think that from a bond issuance standpoint that they don't come in odd numbers. So you know...

Mr. Snyder: No, they're five, ten, fifteen ...

Mr. DeOrio: Five, ten – one, three, five and ten is my understanding.

Mr. Snyder: Yeah, that's right. Yeah, I think that's a nice compromise.

Mr. Revoldt: Any other questions or comments regarding Item 12?

Mr. DeOrio: So do you want to - you want to amend that now or ...

Mr. Snyder: Yes sir, let's amend it before we vote on it. Absolutely.

Mr. Zumbar: Well I think...

Mr. Revoldt: Tell you what, let's do this, we're going to give this a couple more readings. We're going to have this on the agenda. Let Alex – let's move the thing tonight and...

Mr. Snyder: Oh and amend the next time.

Mr. Zumbar: Correct. Let Bond Counsel redraft it.

Mr. Snyder: and we'll clean it all up next week.

Mr. Snyder: Okay, that's fair enough. We'll get it changed.

Mr. Revoldt: Alright.

Mr. Nilges: It would be complicated to do it the way – to amend it now.

Mr. Revoldt: Yeah, we don't want to do this now.

Mr. Snyder: Is that good with you Mr. DeOrio if we do it ...inaudible...

Mr. Revoldt: Let me do this then, let's take a motion to adopt the first reading of Ordinance 78-10.

Mr. DeOrio moved and Mrs. Kiesling seconded to **adopt the first reading** of Ordinance No. 78-10. All members present voting:

Yes: Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling.

No: 0

13. Mr. Revoldt: Alright, now I'd like to have a motion to amend Ordinance No. 79-10, the one we saw last week, to include language that reads "rehabilitating and reconstructing sanitary sewer mains and purchasing sewer maintenance equipment".

Mr. Snyder: Oh yes, so moved.

Mr. Foltz: That was the additional ordinance...

Mr. Revoldt: That...

Mr. Foltz: that was in our manila envelope?

Mr. Revoldt: Yeah that.

Mr. Snyder: Yes.

Mr. Revoldt: Yes.

Mr. Foltz: Second.

Mr. Snyder moved and Mr. Foltz seconded to **amend Ordinance No. 79-10 to include "rehabilitating and reconstructing sanitary sewer mains and purchasing sewer maintenance equipment."**

Mr. Revoldt: It's been moved and seconded.

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All members present voting:

Yes: Snyder, Davies, Foltz, Kiesling, Revoldt.

No: DeOrio.

Mrs. Kalpac: DeOrio.

Mr. DeOrio: This is to vote on the amendment?

Mr. Revoldt: On the amendment.

Mr. DeOrio: No.

Mr. Revoldt: Now may I have a motion to read by title only, first reading Ordinance 79-10 as amended?

Mrs. Kiesling moved and Mr. Foltz seconded to **read by title only, first reading, as amended** of Ordinance No. 79-10.

Yes: Foltz, Kiesling, Revoldt, Snyder.

No: Davies, DeOrio.

#### **Ordinance No. 79-10 – 1<sup>st</sup> Reading – Finance & Property**

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$750,000 for the purpose of paying costs of improving the municipal sanitary sewer system by improving sanitary sewage pump stations and municipal sewage treatment plant facilities, and by purchasing, installing, improving and replacing meters, together with work necessary and incidental thereto, and declaring an emergency.

Mr. Revoldt: Alright, discussion.

Mr. DeOrio: Well I would have – would of supported the just the whole concept of it had it not been amended. I think that the language is too vague and purchasing sewer maintenance equipment you know back to the plan, capital improvement plan, capital equipment plans ...

Mr. Davies: You know how much of this is for meters? And are we buying permanent meters or are we buying temporary meters? What's it all for? We have no idea.

Mr. Benekos: I understand. The initial plan, as we discussed long ago, we were looking at going with permanent meters at every place that we entered the County or Canton's system. In dealing with the County and Canton, in sitting down and working with them through several meetings it appears at this time we're going to be going with temporary meters. We'll be hiring a consultant to install temporary meters to determine what the flow splits are between Canton, the County and North Canton. The cost for that will not be a capital cost it will be a professional services cost. And we don't have a final number on that we're still working on that but I think that cost is going to be less than 100,000. But what that program would determine – what that metering program will bring to light is where in our system do we need to make improvements. Now we can wait you know to borrow the money or to find the money in the future to make those improvements. We know there's several lines in the City that need work on. So you know we had that 750 dollar number. I thought we could utilize that to make improvements to the lines that we – we don't have all of them identified at this point where our leakers are. That's what the program will determine. But also this year we had a sewer jet vac in the budget. We didn't purchase that because we didn't think it prudent at this time. But if the funding is available through a loan or a bond then I thought that would be a good time to go ahead and purchase that. We're not able to make in our sewer as well as we should at this point with the equipment that we have. Like I said, the sewer jet vac was in the budget. We didn't have the personnel to properly use it. We are now getting the personnel. So rather than putting it back into the regular budget next year and take it out of the sewer capital projects, I thought we could put into the bond issuance. So I don't have final numbers for you. I have the numbers for the sewer jet vac, but as far as specific projects, I don't have those for you.

Mr. DeOrio: But it would be your working intent that the lines that are being improved are lines that are within the City?

Mr. Benekos: Correct. Only within the City.

Mr. DeOrio: Only within the City. And these are lines that have issues with the storm water getting into the...

Mr. Benekos: Correct.

Mr. DeOrio: sanitary sewer lines. Is that correct?

Mr. Benekos: That is correct. That increases our flow percentage that goes to Canton which increases our rate.

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Mr. DeOrio: And this is - this is new debt? Or is this...

Mr. Benekos: It would be new debt.

Mr. DeOrio: Okay.

Mr. Davies: But you have - you want to buy a new sewer vac which costs how much?

Mr. Benekos: I believe that's about 350,000.

Mr. Davies: And again, see is another thing Pat brought up before, cooperation with other entities, other municipalities and so forth, rather than spending money and buying more equipment. You know I - again it gets back to a plan okay for how we're going to handle the city in coming years given the financial problems we and everybody else has. And it seems to me that's not necessarily, maybe if a study's done, maybe, but a prudent expenditure. And if you're going to - if you've got 350,000 in there obviously the meters aren't the 700,000 we were told before.

Mrs. Kiesling: Right, the meters are only like 150.

Mr. Davies: So you know it just gets down we don't know what we're spending money on. And ...

Mrs. Kiesling: 100, 150. But it still can come out of the sewer fund. Correct? The professional services?

Mr. Davies: It doesn't and...

Mrs. Kiesling: No, I'm asking Jim. Sorry, not you.

Mr. Benekos: If the professional services ...

Mrs. Kiesling: Will come out of the sewer fund.

Mr. Benekos: would come out of the sewer fund. I don't think it's the capital costs that could come out of the bond. But that is something we would have to determine.

Mr. Davies: But the sewer fund, okay, we did not ask all the cost increases that we were supposed to. But now we're going to spend 750 which means we have to come back and add more on because we didn't put as much on as we were going to ...

Mrs. Kiesling: I hear you.

Mr. Davies: because we didn't know. So now we know so the people in this City can expect another raise in their sewer bill so that we can pay for this.

Mr. Snyder: You know Mr. Benekos if I may interject something. As we go along and on the first Ordinance 76-10 relative to City Hall and this particular ordinance and I realize you don't need additional work on your plate, but if you could type an addendum ...inaudible... The problem that I have now is originally and I don't think there's any intent for any reason other than to be honorable here, when we first started out the 750 was for metering devices and installation. Inaudible... maybe we need a schematic in exactly what we're going to spend that 750 so that if we look at it, it gives us the right to say well maybe we just don't want to spend 400,000 for a vac haul truck right this year and that way we know that maybe we'll either reduce the borrowing and amend it. And if you could possibly type that up and get to us I think it would be helpful in moving ahead. Would that be alright with Council if we did that?

Mr. DeOrio: That would be most helpful and to wit also you know we talk about you know we're going to either acquire an employee who's trained in being able to run a sewer jet or we have one now...

Mrs. Kiesling: We're training one.

Mr. DeOrio: who needs to be trained to do it. But my question is you know what amount of time will be spent doing that? I mean is this something that needs to be done - things are really bad and so we ought to be doing them every day for awhile till we get it all kind of ship shape. And you know kind of what the time table is at. Is it going to take a year? Is it going to take forever because there's so many? I mean is it like a full time position just doing that kind thing? Some information along that line, the scope of how much needs to be done would be very helpful.

Mr. Benekos: Inaudible... we should have our sewers on a regular basis, I believe every three years all the sewers should be cleaned. This past year we've fallen off that schedule because of manpower. But that is the program is to do that. And I understand you know the information is sketchy. My understanding was you know we're looking at getting the bond and to roll it all into one issuance to reduce the cost. And you know I hate to say you know I know there's going to be sewers

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that we're going to have to fix in the future. You know I know I can spend the money but I can't give you those details you know we need this sewer, that sewer...

Mr. Snyder: Well if you could just put on the paper out of 750,000. 235,000 are for meters, 400,000 for a jet, 200,000 for lines so that way you can see exactly. And at that point it can be ala carte we can pick and choose. If we're not comfortable with the full amount of money then we can go accordingly.

Mr. Benekos: I just can't tell you which lines.

Mr. Snyder: No, I don't know that that's -- as long as we know that they're within the city limits and it's not outside lines. But I think that would go a long way in easing some of the questions.

Mr. Foltz: President Revoldt, question. Just so I'm clear in my mind, let's go back to the improvements to -- for Canton. We originally discussed 700,000 for permanent meters to be installed...

Mr. Benekos: Correct.

Mr. Foltz: Some of our main trunk lines to see what our actual flow rate was because right now it's a percentage

Mr. Benekos: Right.

Mr. Foltz: and it's a guesstimate that we've held through for a number of years. Whatever it is 7 percent, 6, 8; whatever that number is. So we've come off center, you have got an idea to use professional services to lease equipment to put in for these trunks, these sewer lines for a short period of time, for an evaluation process which will give us the information we need to set this rate in the future...

Mr. Benekos: Correct.

Mr. Foltz: This flow rate in the future. Correct?

Mr. Benekos: Correct.

Mr. Foltz: What is the exact cost, is it 100,000 or is it more than that?

Mr. Benekos: I believe it's going to be under 100,000.

Mr. Foltz: So we're going to save 600,000 with your sit down meetings with Canton officials that this will work? We don't have to have a permanent meter involved?

Mr. Benekos: Right, now...

Mr. Foltz: Just a temporary one to establish flow rates?

Mr. Benekos: Correct.

Mr. Foltz: Does everybody understand that? So we're moved off center 600,000 and I applaud you for that.

Mr. Benekos: Right.

Mr. Foltz: That's excellent savings for our residents there.

Mr. Benekos: And we may have to do it periodically, three, five...

Mrs. Kiesling: I was just going to say ...

Mr. Benekos: however many years we think there's a change. After five years I won't be here.

Mr. Foltz: This will also show us the problems that we have...

Mr. Benekos: Right.

Mr. Foltz: and you can evaluate our sewer system and make capital improvements to them down the road.

Mr. Benekos: Correct.

Mr. Foltz: Correct. But right now we're just kind of if it rains we're fishing to see exactly where our problems are. Okay.

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Mr. Snyder: May I offer this advice here. And then I think maybe this particular Ordinance 79-10, that we table this till next week till we have that because I'll be honest with you if it's a mere 100,000 – well mere, now we're talking mere, if it's \$100,000 versus the \$750,000 my recollection, I don't have the numbers in front of me, the sewer fund can support that on its own. We've increased the rate about three and a half, four months ago and there's sufficient – I believe ...inaudible... there's around a million dollars in that account in excess money. It would not be prudent to borrow this money. So that's – if I may ask this to be tabled till week and at that second meeting bring it up when we have form right in front of us where that money will be spent.

Mr. Foltz: We also have to figure out our seven percent...

Mr. Snyder: Right.

Mr. Foltz: whatever those costs are going to be down there.

Mr. Snyder: Well there's another cost...

Mr. Foltz: and how we're going to cover that.

Mr. Snyder: Well we don't have – that's true and he has to put that on that paper. But rather than vote on this and amend it I think we just let it sit until next week and we can reconsider it and bring it off the table and vote on it. And would that be a problem? Would that create a problem?

Mr. Revoldt: No. Well if it does it may get beaten tonight.

Mrs. Kiesling: Right.

Mr. Snyder: Well that's what I'm saying, I don't think – the way it is it's just too ambiguous the way it stands.

Mr. Revoldt: You know just as a general comment and this goes to a conversation that I had with the Mayor this afternoon and I had with you this morning, these details should be worked out prior. That's when this stuff should all be worked out in advance of these meetings. And to roll into a meeting and to have us believe that we see a major change in direction of this I certainly came into this thinking that we were buying meters. So you have – we have read this, we have discussed it, you are making a motion to table Ordinance 79-10.

Mr. Snyder: Yes sir, I am.

Mr. DeOrio: As amended.

Mr. Snyder: As amended.

Mrs. Kiesling: Second.

Mr. Snyder moved and Mrs. Kiesling seconded to **table Ordinance No. 79-10, as amended.**

Mrs. Kalpac: Davies.

Mr. Davies: We're voting to table it?

Mrs. Kalpac: Yes.

Mr. Revoldt: Table it.

All members present voting:

Yes: Davies, DeOrio, Foltz, Kiesling, Revoldt, Snyder.

No: 0

14. Mr. Revoldt: Alright, let's continue on. Item 14 a motion to read by title only, first reading of Ordinance No. 80-10.

Mr. DeOrio moved and Mr. Foltz seconded to **read by title only, first reading** of Ordinance No. 80-10. All members present voting:

Yes: Davies, DeOrio (yes to read), Foltz, Kiesling, Revoldt, Snyder.

No: 0

**Ordinance No. 80-10 – 1<sup>st</sup> Reading – Finance & Property**

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$1,000,000 for the purpose of paying costs of improving streets by resurfacing, reconstructing and otherwise improving the same, together with all work incidental thereto, as set forth in the plans maintained by the City Engineer and approved or to be approved by Council and declaring an emergency.

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Mr. Snyder: Mr. President, Members of Council, this is the new money part of it. We have – this is to pay for part of the Main Street from 7<sup>th</sup> to Applegrove. We are – we need 500,000 to finish that – for our share of that which we anticipated when we passed that ordinance that we would be borrowing the – we initially thought we'd be borrowing a million. However, the bids came in and they were about, almost \$600,000 less than the Engineer's estimate. So we went ahead and used 500,000 of the capital monies from the 2010 budget. And the monies that we would of normally done infrastructure work inside the wards with. However, we still need an additional 500,000 and since the rate and the success we told the people at the point when we passed the municipal road levy that we would not use road levy funds to do Main Street, that we would do infrastructure in the wards. It is the thought process that we would borrow that money back out and use it for what it was intended for which was Main Street, freeing up the other 500,000 to be returned to capital to be used for paving work or infrastructure work within the wards, depending upon what the Council wanted to do. However, at the same time we had talked last week and we had hoped to do to put onto the 2011 budget a five year capital project that we will lay it all out which probably won't be done by that quickly, but hopefully do that. And that's the wish there. But this again is a new borrowing. This is a 15 year note. The Ohio Revised Code only feels the longevity of a street is 15 years. So this is a 15 year bond. That's that.

Mr. DeOrio: Okay, well I'll go first again.

Mr. Snyder: Okay.

And I want to apologize if I'm coming across surly in any way.

Mr. Snyder: No sir, I didn't take it that – you were not here last week, number one...

Mr. DeOrio: No I wasn't. And because of some other strange illness that I had I was really just not able to even call you Jon, I just had no strength.

Mr. Snyder: That's alright.

Mr. DeOrio: And so I know this is getting thrown at you at the last minute and I apologize for that. Because you know I value you as a great friend...

Mr. Snyder: I know that.

Mr. DeOrio: I think you're a great asset to this community.

Mr. Snyder: I appreciate your kind words. Thank you.

Mr. DeOrio: I just wanted to make sure I made that clear. So the million – what we're thinking here, if I – in my mind break this million dollars down into two parts: 500,000 to do Main Street from someplace to Applegrove you said.

Mr. Snyder: 7<sup>th</sup> to Applegrove.

Mr. DeOrio: 7<sup>th</sup>, okay. And that was money that we took out of our capital improvement projects.

Mr. Snyder: We originally paid the engineering out of our capital improvement. This is the 500,000 to match up to the grant that we needed.

Mr. DeOrio: Then we – that isn't money that we took out of our capital improvement...

Mr. Snyder: No sir. The original 500 was we took out of our capital.

Mr. DeOrio: Okay. And so this is to replace that? You want to replace that?

Mr. Snyder: Exactly. I want to replace that money.

Mr. DeOrio: I've got it. Okay. I'm – Okay, I'm with you.

Mr. Snyder: You follow me now?

Mr. DeOrio: I'm with you on that part.

Mr. Snyder: Okay.

Mr. DeOrio: Okay, it's the second part.

Mr. Snyder: Okay.

Mr. DeOrio: The next 500,000.

Mr. Snyder: Okay.

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Mr. DeOrio: That's ...

Mr. Snyder: That's our share of the project remaining. We owe our share of the project. We didn't pay the whole project. We paid the engineering and the federal government paid the engineering. It was a million and a half dollar project. We paid 500 – we're using capital from our capital funds.

Mr. DeOrio: But that 500 was – paid what? What did that pay?

Mr. Snyder: It paid the engineering.

Mr. DeOrio: The engineering was 500,000?

Mr. Snyder: Wasn't the engineering 400 and some thousand?

Mr. Davies: We still have a \$500,000 match for the grant. So...

Mr. Snyder: Or is that the ...

Mr. Benekos: Not for this project.

Mr. Snyder: Inaudible... 500 was that our match on the grant?

Mr. Davies: So 500,000 to pay back the capital fund, 500,000 for the matching for the grant.

Mr. Snyder: What did we pay that 500, was it for – towards that ...inaudible... we owed a million and we've only paid 500 of it.

Mr. Benekos: The total project 1.5, we have about fifty percent state funding on that...

Mr. Snyder: Yeah.

Mr. Benekos: And we have some muni road funds on that.

Mr. Snyder: Right. But we owe another 5.

Mr. Benekos: I believe that's ...inaudible... 5 of our – out of our capital ...

Mr. DeOrio: Well for the benefit of our viewing audience out there, if I can – if I heard you right you said, there's 1.5 million was the project estimated cost and we got about half of that in state monies, about 750,000 and there was some, I'll just say incidental municipal road monies because I know that usually doesn't amount to very much. But – so you – what do we owe then on that?

Mr. Snyder: We had right of way costs that drove that project up even higher if I recall.

Mr. Davies: Let's table it until we get the numbers.

Mrs. Kiesling: Are you sure this isn't the next, Orion to – Applegrove to Orion? Any of this money?

Mr. Snyder: What for ...inaudible...

Mrs. Kiesling: Yeah.

Mr. Snyder: No we didn't spent any money on that yet. Well we did spend 300,000.

Mr. Foltz: Member Snyder, why don't we get the numbers on this?

Mr. Davies: Let's table it until we get numbers.

Mr. Revoldt: Do I have a motion...

Mr. Foltz: I mean as President Revoldt mentioned it would of been nice to all this ...inaudible...

Mr. Davies: I make a motion to table it until we get the numbers.

Mr. Revoldt: That's fine.

Mrs. Kiesling: Second.

Mr. Revoldt: It's been moved and seconded.

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Mr. Davies moved and Mrs. Kiesling seconded to **table Ordinance No. 80-10**. All members present voting:

Yes: DeOrio, Foltz, Kiesling, Revoldt, Snyder, Davies.

No: 0

15. Mr. Revoldt: Okay. Let's move on to Item 15, a motion to read by title only, first reading of Ordinance 81-10.

Mr. Snyder moved and Mrs. Kiesling seconded to **read by title only, first reading** of Ordinance No. 81-10. All members present voting:

Yes: Foltz, Kiesling, Revoldt, Snyder, Davies, DeOrio.

No: 0

**Ordinance No. 81-10 – 1<sup>st</sup> Reading – Finance & Property**

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$600,000 for the purpose of paying costs of improving and renovating the municipal water distribution system by constructing and replacing water mains, valves, connections and fire hydrants, together with work necessary and incidental thereto, and declaring an emergency.

Mr. Snyder: This is a – Mr. President, Members of Council, this is an outside project, Frank Road waterline project. So it is outside municipal boundaries. We're required – we're going to loop our project – loop those lines around. Is that what the purpose of it is?

Mr. Benekos: Correct. It will reinforce the water flow to the Airport, the northwest quadrant of our system.

Mr. Snyder: Right. And this project we would – this has been on – well we just haven't begun it yet I don't think. It's...

Mr. Benekos: Correct. Other projects have taken higher priority.

Mr. Snyder: Precedence. And once since we were doing this we will be coming into the 2011 budget with this in there to create a note we felt that at that particular time it's prudent that we just borrow the money on a bond and it will be paid out of the water fund and it will be paid from what the monies the airport pays us which is – I don't know, 3, close to 300,000 a year I think in revenue.

Mr. Davies: Was that the Arcadis stuff where they asked us to ...inaudible... You know was this part of the Arcadis study that said...

Mr. Snyder: Yes.

Mr. Davies: Okay. So then we need to raise the water rates so we can pay for it.

Mr. Snyder: No, this is part of the original water Arcadis not the latest one. This was in the first one.

Mr. Benekos: I think it was identified as the project to have financing.

Mr. Snyder: Yeah.

Mr. Davies: But where are we with our water fund because we were told several months ago that it was diminishing and that's another reason why we had to raise water rates – we were asked to raise water rates. So where is it now?

Mr. Benekos: I don't think our water fund was diminishing. I think...

Mr. Davies: Absolutely it was. We were told that on the council floor that it was diminishing and it was in the Arcadis report and that we needed to raise rates to get that fund back up. Absolutely.

Mrs. Kiesling: Sewer – it was sewer that they were more concerned about.

Mr. Davies: But it was both of them I believe.

Mr. Benekos: Well I think, yeah, as we look...

Mr. Davies: Yeah, you might be right. I think it was for sewer. But...

Mr. Benekos: to the future as we did the water rate study, excuse me...



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Mr. Davies: But we were – then the Arcadis firm said you need to raise your rates five and a half percent, per year for four years because of declining fund balances and so forth.

Mr. Benekos: Projected – I believe it was projected. But they did the sewer rate study for five years, determined what our costs would be, identified capital projects, identified projects that could be spent or could be paid for out of existing or projected funds and projects that would need to be funded. There are a couple projects I think that were identified to be funded. And some of those projects were identified in the original rate study and the water project – water distribution study back in about 20 – 2002. But, yeah, if we didn't implement the rates – the increased rates, yeah our water fund would diminish and we wouldn't be able to do the projects that we felt were necessary and to keep up with our system.

Mr. DeOrio: So if I understand you correct, this project was one that was included in the previous Arcadis study from 2002.

Mr. Benekos: Right.

Mr. DeOrio: And at that time you know my recollection is you know rates were to be adjusted on a – each year for like five years and you know that would generate sufficient revenues to pay for these various projects that needed done. Is it your recollection or anyone's recollection that this was one that would back in 2002 would be one that would be financed or...

Mr. Benekos: I'm pretty sure it would have been financed.

Mr. DeOrio: And do you think that the cost back then to do this project is different than it is today?

Mr. Benekos: No. Construction costs? Yeah, it's probably increased since then.

Mr. DeOrio: That was one of the – since we're on Arcadis, that was one of the concerns that I had in that you know we put - those rate increases were put into place but because it's taken a long time to do those projects you know those costs have gone up significantly. And therefore even the rates that we have presently, that we put into place to pay for this, well it may not have been sufficient to pay for it because the costs on these projects are going up.

Mr. Benekos: In the recent rate study it was identified again.

Mr. DeOrio: Okay.

Mr. Benekos: There were a few projects that we did not get to previously and most of those were projects that we would of have to take financing out for. So we did not do some of those projects. Those projects got carried forward as well as you know where we're at now in other projects that have been identified.

Mr. DeOrio: Okay, so the new study would be incorporating this – the Frank, Applegrove project with current costs to do it.

Mr. Benekos: Correct, correct.

Mr. Foltz: I had a question. I thought we were getting very good contract prices on our work.

Mr. Benekos: We are. We have been. But it's just...

Mr. Foltz: But if you're – as far as an estimate when you look at it, you're just allowing for current regular pricing quotes.

Mr. Benekos: That's correct.

Mr. Foltz: But due to the economy and due to the contractors needing work, they're coming in at a lot lower prices than your estimates. Fair statement?

Mr. Benekos: They have been yes.

Mr. Foltz: Okay.

Mr. Benekos: But over eight years you know the costs have...

Mr. Foltz: Yeah, over eight years you're going to increase the original estimate for the project cost. But just so everyone's aware of the that. We're still ...

Mr. DeOrio: So if Arcadis has it in their current study and they're saying that we're estimating the cost to be 600,000 and they're recommending that that project be done and that it be financed, the payment of that was – the payment for that is incorporated in the proposed rate increases that they've recommended.

Mr. Benekos: Correct.

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Mr. DeOrio: So to Mr. Davies' point then, if in fact we go ahead and borrow this money and do this project, it makes it really – I'm trying to think of the right word but – it's kind of you don't have a choice then when it comes to voting on the rate increases really because it's – it sounds like it's financial – it would be a financial disaster if you continue to spend on projects and then don't back it up with the necessary revenues to pay for it. So in essence what Mr. Davies I think was saying, is that you know in voting for this you really need to be keeping in mind that you're really going to be voting to increase water rates. Is that right, Mr. Benekos?

Mr. Davies: Pretty much.

Mr. Benekos: Right.

Mr. Davies: The only unknown is did we receive more money because of the renegotiation of the ...

Mrs. Kiesling: Aqua.

Mr. Davies: Yeah the whatchamacallit. We're getting more money for that raw water we're selling that Chuck hated.

Mrs. Kiesling: Aqua.

Mr. Davies: So I don't know where we stand there whether we got...

Mr. Snyder: Alex, in your opinion predicated on the water fund's stability right now, can it maintain a \$600,000 bond - additional?

Mr. Zumbar: Initially you can maintain that but I think what the caveat or the Arcadis was trying to make Council aware and the Administration aware was if you remember back five years ago when you first raised the water rates you hadn't done any improvements on your infrastructure. As a result you had to implement these huge rate increases initially. If we go – if we forgo these infrastructure improvements for the next five years or you just pick one or two of them and you ignore your infrastructure, you're going to go right back into that situation. And what we're trying to do with the water rate study is again impress upon Council and the Administration we need to continue with the maintenance of these infrastructure projects. We need to correct some of these areas that were identified as a future project. And in order to do that there is going to be some water rate increase that's going to be implemented, but it won't be as large as it was five years ago because you've done a great job in maintaining those infrastructure improvements. So...

Mr. Snyder: As well as your significant influx of money from the renegotiated contracts.

Mr. Zumbar: And as you do these waterlines, you are also enabling the City to recoup those costs later on. But there are the upfront costs of getting those lines in, getting them in place, correcting them and of course as the folks tap into the waterlines these are – this one is essential to outside waterlines...

Mr. Snyder: Does this line support our ability to continue to sell water northwesterly there? This – that was one of the few areas left that we were able to actually explore for new water customers. By doing this particular waterline does this enhance our ability to continue to sell more water in that region?

Mr. Benekos: It will. It reinforces the existing system we have to sell to the airport and it's the feed that we – major feed to Aqua.

Mr. Snyder: Right. So it would – because I mean there are not many areas that were left that we were able – that were virgin enough for us to go into to explore for new customers.

Mr. DeOrio: In my lonesome opinion and I'm sure it will be a lonesome one, I think it would be prudent that you – that we have a – on the committee, the Water Committee...

Mrs. Kiesling: Look at the rates.

Mr. DeOrio: I think that we should have a vote on the rates before we vote on this.

Mr. Revoldt: Discussion.

Mrs. Kiesling: Might as well get them back out and look at them.

Mr. DeOrio: Or you can wait until three months before the election next year to do it.

Mrs. Kiesling: But I also want to make the point you and Jeff have said a couple we need a plan, we need a plan, we need a plan.

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Mr. DeOrio: You're so right.

Mrs. Kiesling: We have a plan, we intended on following through with some sort of rate increase. Hopefully not as much as they want but we'll obviously need to relook at it. We know what waterlines we need to do but now we're sitting here second guessing it again. So either we want a plan and we think we're going to follow through with people who are paid consultants who are expertise in the field or we're not.

Mr. DeOrio: Well to follow through on the plan is the paying for the plan. Right?

Mrs. Kiesling: I completely agree.

Mr. DeOrio: Not just proposing the plan and...

Mrs. Kiesling: I completely agree.

Mr. DeOrio: voting on starting another project. That's the easy part. I mean this study was done by Arcadis five months before the last election and it was postponed, put off I suspect because who really wants to vote on raising rates in an election. That's politics in general. So now's the time to really get out there and do it and discuss it and that's the follow through. If you vote to raise the rates you're voting to ...

Mrs. Kiesling: Do the projects.

Mr. DeOrio: get the projects done and therefore when...

Mr. Davies: Well not only that, there has been discussion, at least among some of the people on the Water Committee. Do we really – can we really expand this system. Is that really possible? And can we make enough money from laying all those lines and so forth or would we be better off down the road selling raw water to other systems because we don't have the expense of maintaining lines and so forth? So I don't think there is a plan. I don't agree that there is a plan.

Mr. Revoldt: Well I would just...

Mr. Davies: other than you know Arcadis saying if you're going to do this you need to do this.

Mr. Revoldt: I would simply argue this point that we shouldn't be installing new lines. Those lines should be installed by a developer who has use for that water. We should not be building on a speculative basis and that's typically what we've done in the past. Where we've had a customer, we've authorized construction, the line becomes ours. The rub is once we do that then we're responsible for maintenance and water problems.

Mr. Davies: And therein lies then if we're going to loop stuff so we can possibly expand the line and Daryl feels we shouldn't be putting it in unless you know let the developer do it if he has the need for water. Then why are we looping and why are we worried about expanding the water if we don't really want to do that. If in fact that's the case. That's my point, you have to have a plan of what you want to do.

Mr. Snyder: Well let me offer this Mr. Revoldt, if I may. I think here's what happened, we descended into an actual council of the whole meeting. I rather withdrawal that request totally on concentrate on the other five pieces of legislation which are very, very important to the City. And...

Mr. Revoldt: Let me...

Mr. Snyder: and I would ask that at that point just to rescind this particular request ...

Mr. Revoldt: Well let's...

Mr. Snyder: till after that Water Committee meets and we can go accordingly.

Mr. Revoldt: We have one of two options. We can either table 81-10 or we can fail it on the first reading.

Mr. Snyder: I would request that you just fail it and take it away and just move on to something that's more prudent.

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Mr. Revoldt: Let me have a motion to adopt the first reading of Ordinance No. 81-10. The motion has failed for want of a motion. The ordinance has failed for want of a motion. Let's move on to Item 15, Resolution 82-10. Motion to read by title only Resolution 82-10.

16. Mr. DeOrio: So moved.

Mr. Foltz: Second – to talk about it.

Mr. DeOrio moved and Mr. Foltz seconded to **read by title only, first reading** of Resolution No. 82-10. All members present voting:

Yes: Kiesling, Revoldt, Snyder, Davies, DeOrio, Foltz.

No: 0

**Resolution No. 82-10 – 1<sup>st</sup> Reading – Finance & Property**

A Resolution affirming and declaring it to be City practice in the interest of sound fiscal management to seek to maintain a general fund cash balance equivalent to at least (fifteen) percent of operating expenses, and declaring an emergency.

Mr. Snyder: Mr. President, Members of Council, we put this in here for a couple reasons. One that we do have sufficient, somewhat guarantees that we do have operating expenses should an emergency arise. Secondly, it supports our ability probably to stay at a high A- to possibly an A+ rating by Moonies and the bond rating people. And they – we would take the 700,000 monies receiving from the Arrowhead bond and a portion of the carryover, projected carryover from 2010 to 2011, lump them together which right now will be about a million four to a million five and place it into a fund and it would sit there and it would require an affirmative vote of Council for or if you like it could have a super majority depending at your – we could amend that at a later date. But that's the purpose of that. So it does tie up the money so that the money is just not sitting in there saying that we have this much money we can do with it as we want whether it'd be a bargaining unit or someone wanting to buy a piece of equipment or a waterline or something, but we would have it. That's out of the general fund. That's the purpose of that.

Mr. Revoldt: Discussion.

Mr. DeOrio: In the 15%, I - my understanding it is not necessarily on an annual basis.

Mr. Snyder: No, that...

Mr. DeOrio: This is in a rolling five year financial forecast period.

Mr. Snyder: Right. Yes sir it is..

Mr. DeOrio: So if we don't have the 15% this year but we project that three years from now we will have it then we'll be okay and be in line with this resolution.

Mr. Snyder: No, because you have to at least put it – we'd be forced by the – according to this resolution we'd have to place it in every 12 – every fiscal year. We'd have to put the 15% in. We'd have to maintain that 15%. We don't generally – once we establish it we should be able to maintain it unless we've – if we voted part of it out it would have to be reestablished again in the next fiscal. If we started out with a million and a half then we declared an emergency of something, we took 500,000 then the following year it'd have to be replaced back in or rescind the resolution. I'm sure we could do that.

Mr. DeOrio: Well if I read Section 2. you know, "...promptly upon receiving any indication that such cash balance may not be achieved at any point within"...

Mr. Snyder: Oh, I didn't read that part.

Mr. DeOrio: "...the rolling five year financial forecast period the Director of Finance shall report such a finding to the City Council along with proposed options that the Council may consider to forestall such an eventuality." To me that doesn't sound like we immediately have to put the money back.

Mr. Snyder: Yeah, that – that could have been added in this last go around. My apologizes there sir, I did not read that.

Mr. DeOrio: So Mr. Zumbar, if I'm – if I read that and understood it correctly, and I may not have, but let's say you know we've got this 15% and as Jon indicated there's an emergency that occurs and we have to take some money out of there that now puts us below the 15% then the Director of Finance would issue some type of a finding to the City Council that says hey guys you're below the 15% and here are some options to consider how to bring us back into compliance.

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Mr. Zumbar: Correct. That's the intent of the resolution.

Mr. DeOrio: And such and that could be anything. That could be borrowing the money. It could be buying lottery tickets or all that kind of ...

Mr. Zumbar: I wouldn't invest in the lotto. The a - again, it's to make sure that Council and the Administration are made aware of this particular policy not being met and it's advisory. It gives you a couple options and ways to immediately rectify that situation whether it's do we reissue debt. It's an option to look at, reconsider. Do we immediately cease all purchase orders? To get things - you know stop spending money. Only emergency purchase orders would be authorized and then they'd have to come back perhaps to Council. Look this is an emergency does Council want to spend the money? That kind of thing.

Mr. DeOrio: Okay. And or it could be maybe this happened early in the five year rolling period and we may recommend in the ensuing years kicking a little bit extra in to get us back into compliance. If all those are possibilities then it really doesn't sound like it's on an annualized basis that we should have 15% there. If that money could be used for you know whatever an emergency is, I know we have to work on the definition of all that, it seems kind of - it seems like you could interpret that to be an emergency that we need to have that money to apply it towards collective bargaining agreements. It seems a little less - it seems not restrictive enough for me.

Mr. Zumbar: Again I, in terms of the monies themselves they are to be pledged to either a special revenue fund or another fund where you're going to hold these amounts.

Mr. DeOrio: Okay, so we can put them in a specially designated...

Mr. Zumbar: Correct.

Mr. DeOrio: fund, not the general fund.

Mr. Zumbar: Not the general fund. That's the intent ...

Mr. DeOrio: Okay.

Mr. Zumbar: of this particular policy. It could into a bond fund or it sits and it takes Council action to pull it out and put it back in.

Mr. DeOrio: Thank you.

Mr. Revoldt: Questions, additional comments?

Mr. DeOrio: Move for adopt of Ordinance No...

Mr. Snyder: Second.

Mr. Revoldt: It's been moved and seconded.

Mr. Davies: Second.

Mr. Revoldt: Actually, Mr. DeOrio moved and Mr. Snyder seconded.

Mrs. Kiesling: Yeah, Jon seconded.

Mr. Revoldt: It was a weak second.

Mr. Snyder: Yeah, it was weak. I'm starting I los - I'm starting to...

Mr. Foltz: Jon, you're starting to crack, come on...

Mr. Revoldt: Alright, let's go.

Mr. Snyder: I'm starting to crack up. I feel I'm on a fault line.

Mr. DeOrio moved and Mr. Snyder seconded to **adopt the first reading** of Resolution No. 82-10. All members present voting:

Yes: Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling.

No: 0

17. Mr. Revoldt: Alright, now onto the tough part of the meeting. Let's look at Item 17, and a motion to read by title only, first reading Ordinance 83-10.

Mrs. Kiesling moved and Mr. DeOrio seconded to **read by title only, first reading** of Ordinance No. 83-10. All members present voting:

Yes: Snyder, Davies, DeOrio, Foltz, Kiesling, Revoldt.

No: 0

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An ordinance authorizing the Mayor of the City of North Canton to enter into a contract for professional auction services for the sale of equipment and miscellaneous items which are no longer required for municipal purposes and for the sale of unclaimed property in the custody of the Police Department and declaring the same to be an emergency.

Mr. Snyder: Mr. President, Members of Council, I think you were all given a copy of the items that we requested of the Administration. They were good about getting that to us. Thank you very much for that. And that gives us every listing that's part of the actual ordinance that we did see a copy and was given to us. This is an annual thing that we do to dispose of property. I think it's held right out here in the back parking lot of City Hall and ...inaudible... local auctioneers. Ohio law requires that we by competitive bid relieve ourself of any items that we no longer have a use for – municipal use. With that being said I move that we adopt the ordinance as presented.

Mr. Snyder moved and Mr. DeOrio seconded to **adopt the first reading** of Ordinance No. 83-10. All members present voting:

Yes: Davies, DeOrio, Foltz, Kiesling, Revoldt, Snyder.

No: 0

Mr. Revoldt: Motion to suspend the rules for Ordinance 83-10.

Mr. Davies moved and Mr. DeOrio seconded to **suspend the rules** for Ordinance No. 83-10.

All members present voting:

Yes: DeOrio, Foltz, Kiesling, Revoldt, Snyder, Davies.

No: 0

Mr. Revoldt: Motion to adopt under the rules as suspended Ordinance 83-10.

Mr. Davies moved and Mr. DeOrio seconded to **adopt under suspension of the rules** Ordinance No. 83-10. All members present voting:

Yes: Foltz, Kiesling, Revoldt, Snyder, Davies, DeOrio.

No: 0

18. Mr. Revoldt: Item 18, a motion to read by title only, first reading of Ordinance No. 84-10.

Mr. Davies moved and Mr. DeOrio seconded to **read by title only, first reading** of Ordinance No. 84-10. All members present voting:

Yes: Kiesling, Revoldt, Snyder, Davies, DeOrio, Foltz.

No: 0

**Ordinance No. 84-10 – 1<sup>st</sup> Reading – Finance & Property**

An ordinance authorizing the Director of Administration of the City of North Canton to advertise and receive bids; and, for the Mayor of the City of North Canton to be authorized to enter into an agreement for the sale of Two (2) Variable Speed Drives, no longer needed for municipal purposes, and declaring the same to be an emergency.

Mr. Snyder: Mr. President, Members of Council, we have two speed drives. They feel that they can get about \$10,000 a piece for them. So they would be returning \$20,000 back to the water treatment fund. And that's about it. I move that you adopt.

Mr. Snyder moved and Mr. Davies seconded to **adopt the first reading** of Ordinance No. 84-10. All members present voting:

Yes: Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling.

No: 0

Mr. Revoldt: Motion to suspend the rules for Ordinance 84-10.

Mr. Davies moved and Mr. DeOrio seconded to **suspend the rules** for Ordinance No. 84-10.

All members present voting:

Yes: Snyder, Davies, DeOrio, Foltz, Kiesling, Revoldt.

No: 0

Mr. Revoldt: Motion to adopt under the rules as suspended Ordinance 84-10.

Mr. Davies moved and Mr. DeOrio seconded to **adopt under suspension of the rules** Ordinance No. 84-10. All members present voting:

Yes: Davies, DeOrio, Foltz, Kiesling, Revoldt, Snyder.

No: 0

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19. Mr. Revoldt: Item 19, a motion to read by title only, first reading of Ordinance 85-10.

Mr. Davies moved and Mr. DeOrio seconded to **read by title only, first reading** of Ordinance No. 85-10. All members present voting:  
 Yes: DeOrio, Foltz, Kiesling, Revoldt, Snyder, Davies.  
 No: 0

**Ordinance No. 85-10 – 1<sup>st</sup> Reading – Ordinance, Rules & Claims**

An ordinance amending PART THIRTEEN – BUILDING CODE of the Codified Ordinances of the City of North Canton, by the addition of Chapter 1311, Fire Loss Prevention/Recovery and declaring the same to be an emergency.

Mr. Revoldt: Just for those who were not here, what we are going to do is establish pursuant to the Ohio Revised Code an account here in the City when a fire loss exceeds \$5,000. And the purpose is escrow account which would be administered by the Department of Finance through a separate line we use to ensure that when a loss occurs that repairs are actually made to the property in essence. And that's what the money will be used for. So the owner simply can't take the proceeds, disappear and leave us with an abandoned building. I think that about covers it.

Mr. Davies: I move that we – oh, I'm sorry...

Mr. Revoldt: Any questions?

Mr. Davies: Then I move...

Mr. Revoldt: Move to adopt.

Mr. Davies moved and Mr. DeOrio seconded to **adopt the first reading** of Ordinance No. 85-10. All members present voting:  
 Yes: Foltz, Kiesling, Revoldt, Snyder, Davies, DeOrio.  
 No: 0

Mr. Revoldt: Motion to suspend the rules for Ordinance 85-10.

Mr. Davies moved and Mr. DeOrio seconded to **suspend the rules** for Ordinance No. 85-10. All members present voting:  
 Yes: Kiesling, Revoldt, Snyder, Davies, DeOrio, Foltz.  
 No: 0

Mr. Revoldt: Motion to adopt under the rules as suspended Ordinance 85-10.

Mr. Davies moved and Mr. DeOrio seconded to **adopt under suspension of the rules** Ordinance No. 85-10. All members present voting:  
 Yes: Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling.  
 No: 0

20. Mr. Revoldt: Item 20, a Resolution No. 86-10 motion to read by title only.

Mr. Davies moved and Mr. DeOrio seconded to **read by title only, first reading** of Resolution No. 86-10. All members present voting:  
 Yes: Snyder, Davies, DeOrio, Foltz, Kiesling, Revoldt.  
 No: 0

**Resolution No. 86-10 – 1<sup>st</sup> Reading – Personnel & Safety**

A Resolution authorizing the Mayor of the City of North Canton to enter into a Memorandum of Understanding by and between the City of North Canton and the Stark County Commissioners, in conjunction with the Countywide 9-1-1 Dispatching Project, to become a remote hosting site capable of directly receiving all 9-1-1 land based call data, and declaring the same to be an emergency.

Mr. Snyder: Mr. President, Members of Council, at the recommendation of both the Chief of Police and the Chief Fire Safety we would move ahead giving a resolution authorizing them to enter into this agreement. It will allow our dispatch to receive a call directly from the complainant to our person in need of services rather than being routed through one of the other dispatching centers. And as we move towards county wide dispatching this puts us in position to initially take our calls as accordingly.

Mr. Revoldt: Any questions? Seeing none, a motion to adopt the first reading of Resolution 86-10.

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Mr. Davies moved and Mr. DeOrio seconded to **adopt the first reading** of Resolution No. 86-10. All members present voting:

Yes: Davies, DeOrio, Foltz, Kiesling, Revoldt, Snyder.

No: 0

Mr. Revoldt: Motion to suspend the rules for Resolution 86-10.

Mr. Davies moved and Mr. DeOrio seconded to **suspend the rules** for Resolution No. 86-10. All members present voting:

Yes: DeOrio, Foltz, Kiesling, Revoldt, Snyder, Davies.

No: 0

Mr. Revoldt: Motion to adopt under the rules as suspended Resolution 86-10.

Mr. Davies moved and Mr. DeOrio seconded to **adopt under suspension of the rules** Resolution No. 86-10. All members present voting:

Yes: Foltz, Kiesling, Revoldt, Snyder, Davies, DeOrio.

No: 0

## REPORTS:

Mr. Revoldt: Reports – Director of Law.

Mr. Nilges: Just real briefly. I know we are – had an incredibly long meeting. I just want to take a point to thank Council for moving forward on the Assistant Director of Law position. And it's my hope that we will get better and complete enforcement of our various ordinances. And I'm sure that Mr. Guarnieri will do that effectively and I thank you very much. I just wanted to briefly comment on a couple other things that were brought up. In terms of Mayor's Court just being an administrative function only, I'll concede that is the way it has been used, but Mayor's Court does have broader jurisdiction than has been described. And I'm sure Mr. Guarnieri, along with Mr. Hampton, is going to make effective use of that jurisdiction. And one other point as to why we went through Common Pleas Court to obtain an injunction against Mr. Prater, as Mr. Snyder and Mr. Hampton can attest, it was a particularly difficult situation. The reason for that is neither Mayor's Court nor Municipal Court have jurisdiction to issue such injunctions. So with that being said I will move on.

Mr. Revoldt: Director of Finance.

Mr. Zumbar: I received from the County Auditor's Office the Resolution certifying the rates and levies as determined by the Budget Commission. That will be coming to you in your next packet. We do have a deadline of November 1. They got an extension to do their work but unfortunately we didn't get the information till – actually on last Friday. So have that in mind with the emergency clause to get that thing through.

Mr. Revoldt: Director of Administration.

Mr. Benekos: No report.

Mr. Revoldt: Mayor.

Mayor Held: Yes, I'd like to thank everyone that attended our Fire Department Open House. It really went very well. We had a number of people from the public that have attended and as always it's been a great success. So special thanks to our Fire and EMS personnel.

Mr. Revoldt: Mr. Bowles.

Mr. Bowles: No report.

Mr. Revoldt: Clerk.

Mrs. Kalpac: No report.

## REPORTS – COUNCIL:

Mr. Foltz: No report.

Mr. Davies: None.

Mr. DeOrio: None.

Mrs. Kiesling: When is Trick or Treat?

Mr. Snyder: We just had it.

(Laughter)



## RECORD OF PROCEEDINGS

Minutes of

COUNCIL OF THE CITY OF NORTH CANTON

REGULAR

Meeting

DAYTON LEGAL BLANK, INC. FORM NO. 10148

Held Monday, October 11 7:00 p.m. 20 10

Mrs. Kiesling: Thank you. Have you thought that far ahead or...

Mayor Held: No, we go along with the same time as the County which is...

Mrs. Kiesling: I know and it hasn't come out. Is it Sunday 3 to 5?

Mayor Held: Yes.

Mrs. Kiesling: It's actually Halloween day this year.

Mayor Held: Yes.

Mr. Foltz: Yes. It was in the water bill too so that was nice.

Mrs. Kiesling: Was it already? Oh, I don't pay that bill. You usually make an announcement. So...

Mr. Foltz: Yes, that's true.

Mr. Revoldt: Mr. Snyder.

Mr. Snyder: Thank you Mr. President. I would just really honestly thank my colleagues this was government truly at its best. Everything was discussed properly and I think ultimately the citizens are the people that win. And we'll get that other information. But I appreciate everybody's patience and everybody's input because that's the way it's supposed to work.

Mr. DeOrio: Thank you Jon.

Mr. Revoldt: Okay. So with that, here's the game plan, what we'd like to do is hold our regular committee meeting next Monday night. I'd ask the Administration, Jim, and fellow members of Council to refrain from adding items to the agenda. I'd like only those that pertain to matters discussed tonight and anything of an urgent nature that we have to get out of the way so we've got the entire bulk of the evening to work through these questions. And then what I'd like to do is have a special council meeting following to give a second reading to anything we see fit to move along. To do that I need a motion and a second to consider – let me see here, hold on just a second here, let's see 81...

Mrs. Kalpac: 81 was defeated.

Mr. Revoldt: 80 and 81 did not go.

Mrs. Kalpac: No...

Mr. Revoldt: Excuse me, 80 and 81 – my records show that we tabled ...

Mr. Foltz: 79 and 80.

Mr. Revoldt: 79, 80 and 81, is that correct?

Mr. Foltz: 81 did not have a motion.

Mrs. Kalpac: 81 was defeated.

Mr. DeOrio: 81 failed.

Mr. Snyder: 81 is gone.

Mr. Revoldt: Okay, we're not going to – we don't want to bring that one back up?

Mr. Snyder: No, that one is going to sit.

Mr. Revoldt: Okay. So again, Clerk, we tabled ...

Mrs. Kalpac: 79 and 80.

Mr. Revoldt: 79 and 80, okay. So we have a special meeting to consider Ordinances or Resolutions 76, 77, 78, and 82. Correct?

Mr. Snyder: And we could bring the two tabled ones if we have the information at that time. We'll have the information we can bring them off the table and consider them.

Mr. Foltz: Yeah, you can put them on the agenda.

Mr. Snyder: Yeah.

Mr. Foltz: If we choose to leave them there we leave them there.

Mr. Revoldt: Okay. Alright, so we'll include the two tabled.

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Mr. Snyder: Yeah, and if we don't have the sufficient information we'll just leave them.

Mr. Revoldt: Okay. Fair enough?

Mr. Snyder: Fair enough. So moved.

Mr. Revoldt: Okay, so I moved – is there a motion.

Mr. Snyder: So moved.

Mr. Revoldt: Is there a second? Clerk.

Mrs. Kiesling: Second.

Mr. Snyder moved and Mrs. Kiesling seconded to **schedule a special council meeting Monday, October 18, 2010 immediately following the Committee of the Whole meeting to consider Ordinance/Resolution No. 76-10, 77-10, 78-10, 79-10 80-10 and 82-10.** All members present voting:

Yes: Kiesling, Revoldt, Snyder, Davies, DeOrio, Foltz.

No: 0

FINAL CALL FOR NEW BUSINESS:

Mr. Revoldt: Very good, just bring your sleep gear. Final call for business, anyone wishing to address Council?

ADJOURN:

Mr. DeOrio: I move we adjourn.

Mr. Revoldt: It's been moved, is there a second?

Mrs. Kiesling: Second.

Mr. DeOrio moved and Mrs. Kiesling seconded to **adjourn the council meeting.** All members present voting:

Yes: Revoldt, Snyder, Davies, DeOrio, Foltz, Kiesling.

No: 0

The meeting adjourned at 917 p.m.

  
PRESIDENT OF COUNCIL

ATTEST:

  
CLERK OF COUNCIL